The Weather

New York City and vicinity: Cloudy, cool. High in the 70s. Southeasterly winds. Yesterday's temperature range to 9 p.m.: High 76, low 65.

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Mountain Man

Gerry Shuns Corporate Life, Builds Success With Unorthodox Ways

Spelunkers, Mountaineers Buy His Climbing Gear by Mail; He Skis and Scales Peaks

Rebuff at Colorado Retreat

By Roger W. Benedict
Staff Reporter of The Wall Street Journal

WARD, Colo.—When Sir Henry C. J. Hunt was organizing his British task force a few years back for an all-out and successful assault on the up-to-then unconquered summit of Everest, he sent out a rush call for a mountain tent made by a company here in the remote wilds of central Colorado.

The firm's independent-minded owner refused to sell it to him. Instead, he designed and manufactured an entirely new tent more suited to the numbing cold and terrifying winds encountered in the Himalayas, getting it to London in just two weeks time.

Such pre-occupation with giving a customer what he needs rather than what he asks for helps explain how a wiry, 35-year-old ex-G.I. has built an unique and highly successful mail order business amid the snow-capped peaks six miles from this decaying ghost town.

He is Gerry Cunningham, a quiet, rugged young man with jet-black hair, a determined jaw, and kindly eyes peering from behind

Economics is, after all, mostly a matter of people at work. One man's job is inspected herewith; others will be given a glance in coming weeks.

heavy spectacle lenses. His firm, Gerry, Inc., supplies equipment to a very specialized but growing clientele—mountaineers and spelunkers. In his tiny red sandstone factory in an aspen-shaded 8,600 foot high mountain meadow, orders pour in from people who seek the unexplainable thrill of climbing a mountain or exploring a cave.

In more ways than one, Gerry represents today's rugged individualist, a species sociologists regularly assure us is fast disappearing from the American scene. Nearly broke when he started 12 years ago, he grossed more than $17,000 in the first six months of this year and cleared something over $5,000, after personal income taxes. The full year's volume should easily top the record $29,000 he took in last year.

Venturers Persist

There are, of course, no statistics on the number of rugged individualists in the nation today but a couple of other figures indicate some do exist. Last year, for instance, hardy souls established some 381,000 new businesses, even though the same year saw almost as many businesses—327,000—fold up. And of the approximately 4.3 million operating concerns last year, about 80% were owned by a single individual.

Scorning automation, Gerry does much of his work laboriously by hand. Resisting the temptation to expand, he retains as a full-time work force only himself—although he has been forced, reluctantly, to subcontract an increasing portion of his production. Refusing to be tied to a rigid schedule, he frequently takes to nearby mountain peaks or ski trails for weeks at a time.

On one point he is inflexible—the design and quality of his equipment. "There is no margin for error when you're at 22,000 feet," he says, with the grim knowledge of a veteran climber.

Gerry's road to success was about as hard as scaling a difficult peak. He paid out most of his life savings to buy his 20-acre mountain meadow for $600 after getting out of service in 1945. He and his wife Ann lived in a tent while he finished the first stage of his workshop. In the workshop were born their twin sons, just two hours after he finished putting on the roof. The couple also has a young daughter now.

During those early years, Gerry often substituted for the postmaster at Ward, or conducted snow surveys for the Department of Agriculture to gain needed funds. "But I never became discouraged enough to give up the idea of running my own business," he says.

Assets But No Capital

"Looking back," he adds, "I think my greatest asset was lack of capital. I learned a lot of ways to hold down costs in those days, and when I finally began to make some money, I knew what to do with it." During the first three years that he was in business for himself he operated in the red; since then he's used black ink in his books.

Gerry once made everything himself, even operating a blacksmith's forge and a milling machine. Now, however, he subcontracts to machine shops as far away as Detroit, and imports some items from Switzerland, Norway and Sweden. He still makes 40 products himself, however, including tough, lightweight clothing that protects a man at 60 degrees below zero, specially designed packs, super-warm boots, and storm-resistant tents.

Gerry's job philosophy, like his way of life, is strongly streaked with individualism. Ask him whether he has ever considered putting his talents to work for a big corporation.

"Designing for someone else would be like making a serious artist paint for commercial purposes," he replies. "I could probably do a good job in that sort of work, but I would lose the freedom to develop my own ideas. When I get an idea for a new piece of equipment, I like to drop whatever I'm doing and go to work on it. I couldn't do that if I wasn't my own boss."

Small but robust Ann Cunningham, Gerry's missus, adds the difficult view: "We had a tough time of it for awhile, but I like the idea of Gerry running his own business. It gives us both a sense of knowing what we want to do. Gerry has to work awfully long hours at times, but on the other hand he and the kids can spend more time with me and the kids than he could if he were working for some big company."

For the record: Gerry devotes about three months of every year to traveling, mountain climbing or skiing with his family. When he

Please Turn to Page 11, Column 3

What's News—

Business and Finance

GENERAL MOTORS, Ford and Chrysler are expected to reject a proposal by Walter P. Reuther, president of the United Auto Workers, that they cut factory prices on 1958 models by $100 a car. In return, he promised, the union would soften its demands in negotiations to replace labor contracts that expire next May.

Autodom's "big three" almost surely will take the stand that such a cut is impossible. In the wake of recent steel price increases, Detroit has been predicting retail prices of 1958 cars will go up about $50. In some industry quarters, Mr. Reuther's suggestion was termed a "cynical publicity stunt."

* * *

The Senate, driving to wind up the current session next Saturday, may take up a bill just approved by its Finance Committee that would increase import duties on lead and zinc to three cents a pound. Present levies are 1 1/16 cents on lead and 7/10 cent on zinc. Finance Committee Chairman Byrd (D., Va.) predicted Senate passage of the measure. But Democratic members of the tariff-handling House Ways and Means Committee indicated it would not act on the matter prior to adjournment.

* * *

House-Senate conferees are expected to force Uncle Sam to build at least a few of the seven nuclear reactors favored by Democrats pushing for more aggressive Federal development of atomic power. A compromise was put up to the conference group after the Senate late last week voted for Government construction of the seven reactors. Earlier this month, the House had stripped this provision from a bill authorizing $335 million for atomic energy projects in fiscal 1958.

* * *

Copper trade circles in London are discussing the possibility that the pound sterling may be devalued. Spot copper on the London Metal Exchange sank last Tuesday to a new post-war low—slightly under 26 cents a pound. By the week-end, however, the quotation had rebounded to 26½ cents. The recovery did not stem from any revival in copper demand. It was attributed to weakness in the pound and the belief in some quarters that devaluation was in the offing.

* * *

Texas crude oil producers were authorized to step up their output next month though some major oil purchasers recommended a cutback. State officials set the September production allowable at 3,127,506 barrels daily, 68,287 barrels above the current limit. The increase took into consideration an Interior Department estimate that demand for domestic crude oil will climb 100,000 barrels a day next month, mainly as a result of President Eisenhower's program to curb imports.

* * *

Steel producers report some signs of a pick-up in demand, though the order picture varies little from week to week. Appliance makers have increased their steel buying recently, and auto companies are expected to do so next month as 1958 model runs gather momentum. Steel production has been hovering around 80% of capacity for a month, and the current quarter average probably will be around that figure. But some men believe operations will climb a few points above the current level during the final three months, chiefly as a result of auto industry buying.

* * *

Company Notes—

Newport News Shipbuilding—The Navy tentatively decided to award Newport a contract to build the first atom-powered aircraft carrier, expected to cost $314 million.

St. Joseph Lead Co.—Reduced the common dividend to 37½ cents. Previous payment was 50 cents in June, prior to which dividends were 75 cents quarterly.

Schering Corp.—Directors of both companies approved a merger proposal under which White Laboratories, Inc., would become a wholly owned subsidiary of Schering. Terms call for a two-for-one split of Schering stock.

Standard Oil Co. (Ohio)—A 70-day strike of 1,800 workers over the company's refusal to make a wage boost retroactive was settled over the week-end. The union agreed to drop this demand.

* * *

Markets—

Stocks displayed selective strength in a dull market on the New York Stock Exchange Friday. Dow-Jones industrials advanced to 488.20, up 0.18%. Rails moved up 0.38% to 142.74, but utilities eased 0.04% to 68.47. Transactions dwindled to 1,470,000 shares—smallest since March 18. London—Financial Times common share index 199.8, off 0.4.

Bonds—Volume $2,790,000. Dow-Jones 40 bonds 85.37, off 0.08; high grade rails 86.03, off 0.08; speculative rails 83.31, up 0.15; utilities 83.65, off 0.24; industrials 88.47, unchanged.

Commodities — Dow-Jones futures index 159.04, up 0.30; spot index 162.43, up 0.05.

* * *

Earnings—

	--Net Income-- 1957	1956	PerCom.Shr. 1957	1956
Quarter June 30:				
Champion Paper	$3,281,004	$3,699,835	$.72	$.81
6 mos. June 30:				
Household Finance ..	11,922,833	10,470,711	1.31	c1.31
Norden-Ketay Corp....	372,000	d880,513	.29	...

c-On present shares. d-Net loss.

(Today's Index on Page 2)

World-Wide

PRO-COMMUNIST OFFICERS took over Syria's army; President Kuwatly flew to Cairo.

The army leftists scored what amounted to a coup d'etat when Lt. Col. Afif Bizry, described as a card-carrying Communist, assumed control of the army. Thirteen officers who reportedly resisted the leftists resigned their commissions.

President Kuwatly left Damascus suddenly on a flight to Cairo after signing the decrees elevating the leftist clique, Damascus reports said. Other sources said the decrees have not been signed yet. A presidential spokesman said Kuwatly was going to Alexandria for medical treatment, and a few hours later he checked in at an Alexandria hospital.

In Cairo, Kuwatly was met at the airport by Egyptian President Nasser and the two reportedly discussed the Syrian crisis. There were rumors that Saudi Arabian King Saud would join the talks.

Travelers reported the Syrian capital was ringed by troops. Some of the army officers who opposed the swing left fled to Lebanon.

Leftists may attempt to touch off a purge of their opponents during a Damascus rally tomorrow. It was called to protest an alleged American plot to overthrow the government.

These charges brought the expulsion of three U. S. aides at the U. S. Embassy in Damascus last week. In retaliation, Washington ousted the Syrian ambassador to this nation and an assistant.

* * *

DULLES RETURNED to Washington to plump for additional foreign aid funds.

The Secretary of State cut short a Canadian vacation to go before the Senate Appropriations Committee today to appeal for restoration of $810 million slashed from the $3,367,000,000 program by the House. He'll be accompanied by John B. Hollister, outgoing director of the foreign aid program and Adm. Arthur W. Radford, recently-retired chairman of the Joint Chiefs of Staff.

While the Senate is traditionally more liberal than the House, chances are slim it will restore much of the money pared by the lower chamber. Eisenhower has set his rock-bottom figure at $3,367,000,000.

Senate G.O.P. leader Knowland told a TV audience he doesn't think it's possible to restore all of the $810 million, but he's hopeful the final appropriation will be around $3 billion.

* * *

Detroit's three daily newspapers suspended publication because of what they termed an "illegal strike" by mailers at the Detroit News. Their union termed the dispute a "lockout" and asked for the reinstatement of 87 workers. They were fired for refusing to work a second overtime shift Saturday. In Boston, the newspaper strike by mailers enters its 11th day.

* * *

Sen. Ives (R., N. Y.) said the Senate inquiry into racketeering is certain to run through next year and may last another five years. He told a TV audience complaints against both unions and management are coming from all over the nation. The current investigations, he added, may bring new laws to place unions under the antitrust act.

* * *

Chairman Strauss of the Atomic Energy Commission said he could be wrong but he's convinced the Russians aren't "anywhere near the position that we are in the development of atomic energy." In newly-released House testimony, he also remarked that a wrist watch with a luminous dial is more dangerous than all the fall-out from atomic tests to date.

* * *

Congressional backers of a civil rights bill satisfactory to Eisenhower are pressing for a showdown on the stalled measure this week. But the refusal of Chairman Smith (D., Va.), a foe of civil rights, to call a meeting of his House Rules Committee may delay a final vote until next week.

* * *

Chairman Walter (D., Pa.) of the House Un-American Activities Committee said he will introduce an omnibus bill to impose strict new penalties on Communists and other subversives. Among other things, the measure would make membership in the Communist Party automatically a crime and would offset some recent Supreme Court decisions now hampering prosecutions.

* * *

Tunisian President Bourguiba said establishment of a North African confederation of Tunisia, Libya, Morocco and Algeria—would be "useful and profitable." Speaking on a U. S. TV show filmed by N.B.C., he deplored France's attitude toward Algeria and hinted he would close his eyes to the smuggling of arms to Algerian Nationalists.

* * *

Contract talks resume today in efforts to avert a strike threatened by bulk milk drivers servicing metropolitan New York City. Negotiations broke off early Saturday, but mediators staved off a Friday night strike deadline and kept some 1,150 drivers, members of the Teamsters Union, on the job over the weekend.

* * *

Anthony Beauchamp, son-in-law of Sir Winston Churchill, was found dead in his London apartment and police attributed the death to an overdose of sleeping tablets. The 39-year-old society photographer was the husband of actress Sarah Churchill.

* * *

Three construction workers were trapped near Oswego, N. Y., at the end of a 6,250-foot tunnel about 100 feet below the bed of Lake Ontario. Rescuers failed twice to reach the trio, believed trapped by an explosion which blocked their exit.

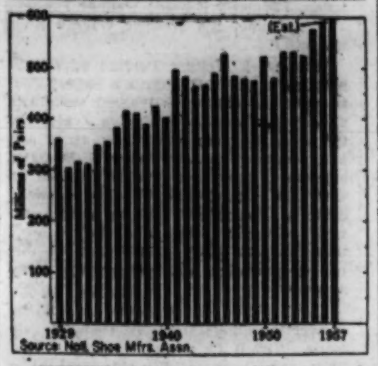
* * *

A chartered bus careened into a Garden State Parkway abutment at Wall Township, N. J., killing at least three people and injuring 32 others aboard. The Public Service Co. bus was bound from Atlantic City to New York.

* * *

A British movie critic warned Marilyn Mon-roe, Jayne Mansfield and Sophia Loren may wind up with "rust on the bust." Citing such films as "I Was a Teenage Werewolf," Bernard McElwaine said "shake, shudder and shock" have replaced sex as the best box-office draw.

Shoe Production High



OUTPUT of shoes during 1957 may reach 600 million pairs. This would be a record topping the high of 592 million pairs set in 1956. During the first half of this year about 308 million pairs of the total had already been made.

The Sad, Sad Story Of the Frustration Of Miss Mary Gilhool

A New Business Flowers But It Plants Seeds of Discord; Green Thumbs, Light Fingers

By Jerome M. Kelly
Staff Reporter of The Wall Street Journal

SAN FRANCISCO—Philodendron lovers and flora fanciers everywhere, take heed: The office plant you pamper may produce a blooming ruckus.

This word of caution comes from the tiny coterie of entrepreneurs who are tilling a lush field of flowery endeavor hereabouts — the renting of plants to corporate customers to prettify up their places of business.

"This is a risky business," sighs husky Frank James, president of Decorative Plant Rentals, Inc., of Hayward, Calif. "Very often we have to telephone the boss and request that our plants not be watered or moved."

The reason for this touchiness by flora merchants is not hard to perceive; some of the plants they install in offices, banks and waiting rooms cost as much as $50 apiece.

"A Feeling of Ease"

A surprising number of companies these days are going in for plant adornment. "Foliage plants help take the dryness away and make the office more inviting, relaxing and homey," advises an interior decorator, explaining the trend toward planting. And an official of America Fore Insurance Group, which recently opened a resplendent new building here, agrees: "I think the attractiveness of our plants gives both employe and customer a feeling of ease."

Mr. James, one of a growing number of plant purveyors, figures his business has quintupled over the past five years. "Four trucks," he says jubilantly, "are on the route every day, servicing clients who pay from $5 to $250 a month."

A typical client is Crown Zellerbach Corp. here which pays Mr. James a fee of $86 a month. For that sum, Decorative Plant Rentals decorates Zellerbach's offices with 50 assorted plants, including the leathery-leafed philodendron and the exotic aralia elegantissima, with its small clusters of white or greenish flowers. In addition, Mr. James tosses in several hunks of driftwood and lava rock for arranging around the plants.

Once a week, two men from D. P. R., clad in white and carrying impressively professional equipment bags, show up at Crown Zellerbach to care for the plants. They water them, add fertilizer if needed, trim them, dust the leaves and shine them up with wax—all somewhat to the consternation of a pretty blonde receptionist, Miss Mary Gilhool.

A Milk Sheen?

Miss Gilhool, you see, has a hankering—like many another plant lover—to care for the greenery around her desk, and the "Don't Touch" command chafes a bit. She insists that rubbing milk on the plants helps. "It makes them shine more," she avows.

Why shouldn't company managers just buy the plants outright and let young ladies like Miss Gilhool take care of them? Well, a spokesman for Moore-McCormack Lines, Inc., which rents its plants says flatly: "Nobody here knows how to care for the plants. And they're quite expensive."

"Decorations always look better when they're taken care of by professionals," sniffs Stuart Alberg, who has a plant rental agency bearing his name in Oakland, Calif. He warns darkly: "A rundown decoration indicates a rundown business."

People, misguided or otherwise, are the biggest problems for plant renters.

Frank Frisella, a San Francisco greenery merchant, complains that waiters at one hotel where he places plants are ruining them. He claims they dump leftover ice water on plants in the dining room, instead of taking it back to the kitchen.

After an office party, renters sadly agree, their plants pay, like the employes, suffer a hangover. One reason is that the celebrants, perhaps unthinkingly, use plant bowls for disposing of cigaret butts and half-empty glasses.

And then, too, there's the perennial problem of pilferage of plants placed in front of office buildings for display purposes. "By and large," reports Mr. James, people respect our property," but he says there are those with green thumbs who also have light fingers.

Jobless Pay Claims Drop

WASHINGTON—New claims for unemployment compensation dropped 10,400 in the week ended August 10 to a total of 213,800, the Labor Department reported. In the like 1956 week, new claims totaled 195,900.

The number of idle workers getting jobless pay in the week ended August 3 also declined, the report showed. The total was 1,205,100, a drop of 25,500 from the week before but 75,900 higher than a year earlier.

The Outlook

Appraisal of Current Trends In Business and Finance

As in times past, the latest climb in borrowing costs, now underscored by the Federal Reserve System's 3½% discount rate in nine districts, is likely to have little deterrent effect on the immediate demand for funds. The outlook for the second half of the year is for continued heavy activity in the capital market, and for a seasonal resurgence in requests for bank credit.

Some factors behind this continuing money push are worth examining. For one thing, a considerable portion of the scheduled bond financing involves state and local government projects, such as schools, some of which have been postponed previously, but can be put off no longer. Similarly, a sizable number of the forthcoming issues are those of utilities, another type of borrower which often has little choice than to keep pace with the dynamism of the country's growth. Corporate issues, the kind that can be postponed more readily as a rule, figure less prominently in second-half capital financing estimates.

Much of the upswing in bank loans in the remainder of the year will be for such traditional purposes as financing the movement of crops to market and the buildup of wholesale and trade inventories for Fall and holiday sales. But some special situations will place extra demands on the banks' dwindled available money supplies.

One is that the Federal income tax liability of larger corporations moves up to 15% a quarter in the second half of 1957 from 10% an instalment in the like period of last year: tax borrowings, thus, will be somewhat larger than last year. In addition, the Administration, intent on not having to increase the present $275 billion statutory debt ceiling, is shifting a portion of its financing load to business men who in turn are calling for help from the banks and other sectors of the private money market. For instance, the Pentagon's reduction of progress payments to defense contractors is likely to send a number of the affected concerns to the banks, at least for temporary assistance.

The significance of this development is not just that the Government is substituting the use of private credit for Federal funds, as, to be sure, it has done in the past. The effect of this in the present context of monetary restraint is to further curtail the available supply of bank credit for commercial and industrial borrowers.

The money managers, of course, have been active on their own behalf in holding down the volume of bank reserves. But whether the Federal Reserve System should have at this time also made credit one-half percentage point more costly, apparently has been the subject of disagreement within the System. On the one hand is the Board in Washington. Its prompt approval of the August 8 raise in the discount rate, upon the request of four district banks, strongly implied that it thought such an upward adjustment overdue. On the other hand is the New York Federal Reserve Bank, far and away the largest in the system and perhaps still the most independent of the 12 district banks. Its pointed refusal to rush into a discount increase, after the commercial banks raised the "prime" rate earlier that week, indicated misgivings about the advisability of the move.

By failing to recommend a change in the rate at their regular weekly meeting last Thursday, the directors of the New York bank pointed up all the more sharply the differences in views between the bank and the Reserve Board.

The Washington managers made it clear, at the time of sanctioning the first round of the latest increase, that their main aim was to telescope another blow in the fight against inflation. Among the battery of economic indicators that the Board and its staff monitor, a key one doubtless is the consumer price index, which continues to show a continuing rise in the cost of living. Directors of the New York Federal Reserve bank, it may be assumed, are no less concerned by inflation. But other than reading the economic signs, they tend to step back to get a feel of the business climate, say those who have watched the bank operate. Among the factors held to cloud the business horizon at present, a view which some of the bank's directors may share, are indications of involuntary inventory accumulations, evidence that basic plant capacity may have started to outrun orders and the generally lackadaisical behavior of the basic commodity index.

* * *

If commercial banks around the country were more unanimous over the need for an upward shove in bank rates at this juncture, it was because the credit restraint policy has done its work only too well. Indeed, the scarcity of usable bank funds was strikingly demonstrated last week when the commercial institutions fixed an uncommonly high 4.173% average interest cost in bidding for the Treasury's eight-month, $1.75 billion bill issue. Though bankers may argue they are forced into higher rates by circumstances largely beyond their control, they have a tough job convincing the public that the profit motive doesn't bulk large behind such upward thrusts in the price of money.

The fact is, of course, that most banks are thriving on higher rates, now returning to levels which have been unknown since the early Thirties. About the most bankers can say in refutation is that the full amount of a rate markup is not as readily and completely reflected in earnings as may be supposed. The bigger a bank's term-loan portfolio, of course, the longer it takes for all earning assets to reflect the new rate.

Expanded loan volume which invariably accompanies higher rates, is all the more reason why banks do best when they seem to be pinched the most. Operating expenses also go up, for banks as for other businesses; employes, for example, demand greater consideration in a tight labor market. Oftentimes, however, outgo has not risen as fast as income. However, if they're squeezed, the banks may have had to take losses on the sale of securities to raise cash to put out on loan, thus trimming profits somewhat.

—LEE SILBERMAN

Farm Paradox

One Federal Agency Hikes Usable Acreage As Another Idles Land

Reclamation Bureau Efforts Tend to Offset Soil Bank Plan to Cut Crop Surplus

But West Sees No Conflict

By Ray Vicker
Staff Reporter of The Wall Street Journal

Leaning over a desk in an air conditioned, red carpeted office in the U.S. Bureau of Reclamation headquarters in Washington, an official thumbs through a report of bureau projects scheduled for fiscal 1958.

Those projects will bring in 150,700 acres of new crop land while adding supplementary, production-hiking water to another 93,600 acres. A six year program ending in 1960 is scheduled to bring in a total of about one million acres of new land while furnishing supplementary water to 1.5 million acres. Cost: $200 to $800 per acre and even higher.

A quarter of a mile away on the other side of the Washington Monument, an official in the green and gray brick headquarters of the U.S. Department of Agriculture tabulates the farm land idled by the soil bank at 28.4 million acres. Cost to taxpayers: About $723 million this year alone.

It may seem paradoxical to taxpayers that one Government agency is bringing new land into production, or upgrading production on existing crop land, when another Government agency is spending huge sums to take good land out of production. The situation mystifies some people in the Department of Agriculture, too.

Benson's View

"Our recent experience, together with forward projections, indicates that our existing agricultural plant has excess capacity," says Agriculture Secretary Ezra Benson. "Until that capacity is in use there can be little justification for adding to that capacity."

In the Bureau of Reclamation office, fetching paintings and photos of huge dams adorn the walls. Here officials see nothing incongruous about building more dams to develop arid land during a period of farm surpluses.

"We are constantly asked why the Federal Government should invest money in irrigating farmlands when it is paying out billions for surplus crops," admits soft-spoken W. A. Dexheimer, bureau commissioner, who, though shorter, looks like a double for President Eisenhower.

At his desk beside a mural of the Hoover Dam which he helped build, he adds: "The real story is that irrigation takes most of the arid West out of a one crop economy. It permits diversification where the farmer can shift his production to meet market demands instead of concentrating on one crop in which a surplus exists."

You get a different story from some Department of Agriculture folk who contend that increasing agricultural production anywhere may help build up new surpluses since there already is adequate land in the soil bank for growing many of the non-price-supported crops irrigators would raise.

Too Much Acreage

Here's what Joseph S. Shelly, executive secretary of the Vegetable Growers Association of America, has to say about avowed intentions of some irrigators to step up vegetable output: "Our present acreage of productive agricultural land and rate of production currently exceed the effective demand situation. As long as this condition holds true, we believe it to be contrary to the interests of farmers and taxpayers to use Federal funds in reclaiming additional agricultural land for production purposes."

The Bureau of Reclamation has a 1902 mandate from Congress to develop the land and water resources of the 17 Western states. It is primarily concerned with that task rather than with fighting agricultural surpluses.

Bureau projects usually are considered sacred in the 17 Western states. There is little reason for doubting that these projects have done a lot for the West, though Easterners might question costs.

"In the West, you don't dare say anything bad about women, dogs or the Bureau of Reclamation," allows one grizzled Coloradan.

Current Projects

This year even an economy-minded Congress couldn't bring itself to slash bureau spending. The bureau's $180 million carded for construction in fiscal 1958 compares with $174 million in fiscal 1957. Among current projects:

The Michaud Flats project in Idaho, where $1.2 million will be spent on an 11,240 acre irrigation project.

The Minidoka project in the same state, where $1.5 million will prepare a 77,650 acre irrigation development.

The Crooked River project in Oregon, where $550,000 will launch the new Prineville Dam for reclaiming 9,000 acres.

The Rogue River Basin project, where $6.2 million will be spent on a project to irrigate 23,000 acres near Medford, Ore.

The Columbia Basin project, where $13.9 million will go for pumping stations to service an additional 34,000 acres in 1958, 26,000 acres in 1959, and more land in 1960.

The Colorado River storage project, where $27.5 million will launch a mammoth power and irrigation development for which $750 million already has been authorized.

These are only a small part of the long range irrigation, flood control and power objectives of the bureau. That Colorado River project is a $5 billion joint enterprise with the U. S. Army Corps of Engineers. All told, there are about 17 million acres of land in the West which the bureau estimates can be reclaimed. Its long range objective is to reclaim all of it. Understanding the Pressure

You have to tour the Western states to understand the pressure put on the bureau by Westerners to increase rather than to curtail its programs.

One of the biggest land development

Please Turn to Page 11, Column 1

Big Three Auto Makers Expected to Reject Reuther's Proposal for $100 a Car Reduction in 1958 Prices

UAW Would Ease Bargaining Demands; Move Termed "Cynical Publicity Stunt"

A WALL STREET JOURNAL *News Roundup*

The A.F.L.-C.I.O. United Auto Workers Union over the weekend called on the three largest car makers to cut prices of 1958 cars an average $100 each below 1957 at the wholesale, or factory, level.

In return, the union promised, it would soften its bargaining demands in negotiations to replace labor contracts that expire next May.

The auto industry seems certain to turn a deaf ear.

Officials of the three companies approached by the union—General Motors Corp., Ford Motor Co. and Chrysler Corp.—will almost surely assert such a cut is impossible. In the wake of the recent steel price increase, unofficial reports have been widely circulated in Detroit that suggested retail prices of 1958 models will go up around $50.

Effect at Retail

Since a $100 cut at wholesale would figure out, according to one dealer, to around $133 at retail, the union plan would actually mean the companies would price new cars some $180 or so below the levels they had been believed to be planning.

If the $100 a car price cut were passed along completely to the public by the nation's dealers with the dealers also accepting a proportionate cut in their traditional mark-up, it would mean the average auto buyer would pay about $143 less than at present. This is because a $100 factory reduction would also lower the Federal excise tax by $10 and the suggested profit to the dealer by $33.

However, if the auto makers were to forego the expected average increase in wholesale prices of $50 as well as make the $100 reduction proposed by Mr. Reuther, the cut in price to the car buyer would amount to $215. This larger figure would include the dealers traditional one-third markup—$50 in this case—and the $15 excise tax that would be saved.

None of the "big three" auto makers has yet answered the union's letters, sent by U.A.W. President Walter P. Reuther to the presidents of the companies, or issued any public comment. But reaction of officials willing to discuss the proposal privately ranged from apathy to bitter resentment of what some of them termed a "cynical publicity stunt."

The three Reuther letters, six-page documents issued in the name of the U.A.W.'s International Executive Board, were released for publication yesterday morning. According to company spokesmen, none of the officials concerned has been able to study them. "It may be some time before we can come up with an answer," one auto spokesman said.

Question of Inflation's Cause

While there was considerable annoyance among auto men at the U.A.W. announcement, some executives were willing to concede grudgingly that Mr. Reuther had scored a point in the continuing battle between union and management to lay the blame for inflation at the other's door.

The U.A.W. letter clearly was designed to absolve the union in advance from any blame for the price hikes generally expected on 1958 model cars. Mr. Reuther recently engaged in a long-range verbal duel with John S. Bugas, Ford's vice president of industrial relations, over the question of inflation cause.

By offering in advance to reduce its own demands, without in any way commiting itself to specific terms, the union, one auto official conceded, has achieved the position of appearing willing to sacrifice its own best interest in order to reduce a substantial portion of the living costs of the general public.

Even if it did soften its future demands, however, critics of the union insist it is impossible for the auto industry to return to 1956 price levels. "Our costs have already been jacked up by the 1955 contract, by the cost of living raises, and by increased material prices," an industry executive complains. "Those costs are already in effect, and they certainly aren't going to drop. Now the union asks us not only to believe our costs won't rise in the future but to forget about the ones we have now."

Mr. Reuther's letter to the auto company presidents marked his latest use of a favorite strategem. He first employed it five years ago when he invited the companies to join in a "joint study committee" to examine the question of pensions, then a top priority bargaining demand. Three years ago he used it again to request a study committee on the "guaranteed annual wage," and earlier this year he sought such a study group on the shorter work week. In each instance the companies declined to go along with the proposal.

"Stopping Inflationary Trend"

Mr. Reuther called his suggestion "a positive and practical proposal for making an effective beginning in stopping and reversing the inflationary trend," and said it would create a wholly new atmosphere for negotiations in which a joint concern for the public interest would be paramount and would foster a cooperative effort to reach a fair and honorable settlement based upon the facts."

Even more important, he added, would be "the effect such dramatic price action would have on the general economic climate."

The union president promised that if such price cuts are put into effect, "we for our part will give full consideration to the effect of such reductions on your corporation's financial position in the drafting of our 1958 demands and in our negotiations."

Critics said, however, that Mr. Reuther, while highly specific about what the companies' action should be, was rather vague about the union's part of the bargain. In spite of this failure to spell out his promises in detail, there was unquestionably a tone of conciliation in the letter that has been missing from U.A.W. statements in recent months.

At the biennial convention of the big union in Atlantic City in April, delegates voted overwhelmingly to demand a shorter work week at increased pay, improvements in its hard-won supplemental jobless pay plan and other fringe benefits.

While no precise value was placed on the package the union would seek, it appeared at that time that union demands next year would be the largest in history.

Specific bargaining goals will be set in January at a special convention in Detroit but the general aims established in April presumably must be incorporated in the final demands. Until the price-cut letter, there had been no indication by U.A.W. officials that they had softened their determination to drive an extremely hard bargain in 1958. Many auto officials, in fact, privately have been saying they expect a bitter struggle next spring.

Milder Attitude Hinted

Union spokesmen were not available for clarification of the letter's fine points yesterday, but the hints of a milder attitude seemed clear. Referring at one point to next year's demands, Mr. Reuther stated: "We would in any event avoid making recommendations that would necessitate price increases. We now offer to draft recommendations that will facilitate price decreases if you will agree to put a substantial price reduction into effect when you introduce your 1958 models."

If, in the course of negotiations, the company charges the union's demands would require cancellation of part or all the $100 price cut, Mr. Reuther would accept the judgment of an impartial third party on the matter.

He did not say, however, how the union would determine the effect of such price cuts on each company's financial position. It seems unlikely, company officials believe, that the union would be willing to accept no more evidence than published financial reports. And, if it should insist on inspecting detailed financial records, there is little possibility such a proposal would be accepted. The U.A.W. has in the past sought to examine company books and has always been rebuffed. It has, in fact, blamed this refusal for its inability to consider the financial position of individual concerns as a factor in establishing contract terms.

Aid for Sales Asserted

In his letters, Mr. Reuther contended the actual result of a price cut could be a sharp rise in sales of cars. He cited views to that effect expressed earlier this year and late last year by Carl E. Fribley, former president of the National Automobile Dealers Association.

Mr. Fribley asserted in speeches that pricing of 1957 models could mean the difference between a 6,500,000 to 7,000,000 car year and a 5,500,000 to 6,000,000 car year. He urged manufacturers to consider the absorbing of higher manufacturing costs on 1957 models.

Latest estimates of 1957 auto production are in line with the lower set of Mr. Fribley's figures. Prices, of course, were raised on this year's cars over the 1956 levels.

At his home in Norwich, N. Y., yesterday, Mr. Fribley said his views were still the same on auto pricing as those quoted in the Reuther letters. "If at all possible," he said, "the price line should be held because dealers can then reasonably expect an increase in volume." Mr. Fribley sells G.M.'s Cadillac, Pontiac and GMC truck lines.

In Washington, the White House declined to comment on the Reuther plan. Mr. Reuther was highly critical earlier this year of President Eisenhower's plea for general restraint by labor and management on wages and prices.

A White House spokesman, asked whether the U.A.W. plan would be called to the President's attention, replied: "He reads the papers."

Commented Sen. O'Mahoney (D., Wyo.), who led a broad Senate Judiciary subcommittee inquiry on General Motors Corp. in 1955: "I don't think Mr. Reuther was proposing any ready-made cure for inflation. But his proposal is certainly something for management to think about. Management had better give it ample consideration."

On the other hand, Sen. Potter, Republican from auto-making Michigan, said cutting auto prices "is not a simple thing to do" for all car makers. He said "G. M. might be able to afford to cut prices, for example, but that might drive some of the others out of business." Each auto manufacturer, Mr. Potter commented, has a different price situation and a simple across-the-board cut for all of them would be difficult.

Here's the auto union's figuring on how a $100 a car wholesale price cut would have affected the "big three's" earnings in the first half of this year, and what the results could be, the union said, if the reduction prompted a million-car rise in annual volume:

The Reuther letter to General Motors noted that concern produced 1,543,323 cars, or 45.7% of industry output, in the first six months of 1957. G.M.'s pre-tax profit, the letter said, was $997 million and its net $481 million. This amounted, at a yearly rate, to a "21% return on investment," the letter added.

"Had each of these cars sold for $100 less, profits before taxes would have been $843 million," Mr. Reuther added. "After taxes they would have been $406 million, equal to an annual rate of 17.7% on investment as compared with an average of 12.1% for all manufacturing corporations during the latest 12-month period for which data are available."

The union figures this reduced profit rate is equal to 14.6% of sales, before taxes, and assuming a one million rise in annual car volume would mean an added 228,000 cars for G.M. in the half-year. It said pre-tax profits would then amount to $899.9 million, based on an average wholesale price of $1,700 a car.

This would amount to an annual rate of return on investment, Mr. Reuther stated, "of 39.3% before taxes and 18.9% after taxes."

Points of Argument

These statements, of course, contain some points the auto companies might quarrel with. They imply production is identical with factory sales of cars. They apply to a period not strictly comparable with the current or future ones, because steel prices and rail freight rates, among other things, have gone up in the meantime.

Mr. Reuther himself asserted the figures give the companies a break on another point: They don't take into account any savings per car in overhead costs as production increases.

Reuther's Figures for Ford

For Ford, Mr. Reuther issued the following set of figures for the first half of 1957: Production, 1,051,311 cars, 30.1% of industry total; pre-tax profit, $365.4 million; net profit, $171 million, or 17.2% on investment.

With a $100 a car cut, Ford's pre-tax profits, $263.9 million; net profit, $126.7 million; annual rate of return, 12.8% after taxes; profit ratio, 9.1% of sales; estimated six-month rise for 1,000,000 cars annually, 150,000 cars; pre-tax profits for six months, $286.9 million, or 13.9% on investment after taxes.

In connection with the Ford figures, Mr. Reuther noted the company has stated its profits this year have been affected by "unusual" costs on new products and expansion. He said the "new product" presumably is the Edsel line, due to be on sale this fall.

For Chrysler, Mr. Reuther and the auto union came up with these figures for the first six months of this year: Production, 721,082 cars, or 21.3% of the industry total; pre-tax profits, $190.7 million; net, $89.7 million; annual rate of return, 27.8%.

After a $100 a car reduction, pre-tax profits, $118.6 million; net $55.8 million, annual return, 17.3%; profit ratio to sales, 6%; estimated added half-year volume stemming from price cut, 106,000 cars; resulting pre-tax profits, $129.3 million; annual return, 19.2% after taxes.

Pontiac Dealer, "Fed Up," Switches to German Line

By a WALL STREET JOURNAL *Staff Reporter*

SAN FRANCISCO—A former Pontiac dealer here, "fed up with the big American car," hung a new sign outside his door today. Formerly it read: Weltner Pontiac. This morning, it's Weltner Goliath Auto House.

Last week Weltner Pontiac advertised itself as northern California's largest Pontiac dealer. This week Weltner Goliath is advertising itself as exclusive dealer for the small German family car, truck and bus. General Manager Frank T. Demeter explains it this way: "We're just fed up with the competitive bidding between dealers. We weren't selling a car, we were selling a deal. And, in the end, there was no profit considering the discounts, servicing, and loss through repossession."

"Stampeding the customer is not the answer to selling cars," Mr. Demeter contends. "We'll be selling a product and its economy now, and I'm sure we'll maintain our gross profit."

Today's Index
Regular Features

Monday, August 19, 1957

General Time Workers At Westclox Unit Vote To Stay With UMW

By a WALL STREET JOURNAL *Staff Reporter*

CHICAGO—By a 2-to-1 vote, 2,050 workers at Westclox division of General Time Corp., LaSalle, Ill., decided to continue to be represented by the United Mine Workers Union in negotiations with the company.

The vote, ordered by the National Labor Relations Board, was held to allow the workers to decide whether they wished to be represented by the U.M.W. or the petitioning Association of Machinists, which represent tool makers and few craft unions in the General Time maintenance division.

Robert Foley, U.M.W. regional director, said the vote meant that his union would attempt to re-open negotiations with General Time on a new contract. He said the union served a new 60-day termination of contract notice on the company July 29, when 2,200 employes returned to their jobs following a strike which began June 13.

The central issue for negotiations, he said, will be the same one which prompted the initial walkout—reclassification of certain employes into lower paying jobs.

The N.L.R.B., which obtained a temporary injunction forcing the men back to their jobs in July, will conduct hearings here August 27, on a charge of unfair labor practices against the U.M.W. However, sources close to the N.L.R.B. said no penalties could be levied against the union.

Southwestern Bell Telephone

BARTLESVILLE, Okla.—Southwestern Bell Telephone Co. announced plans for the construction of a new telephone building costing an estimated $3 million, including dial equipment for the city's new dial system.

Fines for Antitrust Violations Set Record In First Six Months

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON — Chief trust buster Victor R. Hansen reported record fines of $696,750 were meted out to antitrust violators during the first six months of the year.

He also said 38 new antitrust cases were started during the same period, compared with 29 in the first half of last year and only 20 in the first six months of 1953.

The higher fines were made possible by a recent law change boosting the maximum for antitrust violations from $5,000 to $50,000. Safeway Stores, Inc., which entered a "no contest" plea to a monopoly charge, was the first defendant to be fined the $50,000 maximum.

Safeway was fined a total of $105,000 on three counts, while two of its officials were fined a total of $82,500 and given suspended prison sentences. Six rubber companies, in another big case, were fined a total of $145,000 after their conviction on charges of fixing prices for rubber V-belts used in power transmissions.

Two of the new antitrust cases named labor unions. In both, the unions were accused of restrictive practices going beyond labor organization activities exempted from the antitrust laws.

Congress Aims to Adjourn Saturday If Civil Rights Bill Is Worked Out

Fight May Occur on Senate Floor Over Restoring Cuts In Foreign Aid Measure

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—With only a handful of major bills on tap, Congressional leaders are aiming to wind up the session Saturday.

Before the week is out, one or both houses will act on measures dealing with such subjects as foreign aid, meat packers, aircraft loans, atomic reactors, lead and zinc tariffs and pay raises for Federal workers.

Some of these issues, such as foreign aid and Federal pay boosts, may provoke floor fights. But, as it has been for several weeks civil rights legislation is the big stumbling block between Congress and adjournment by August 24.

The House is expected Wednesday to take up the Senate's watered-down version of the civil rights measure passed earlier this year by the House. Despite pledges by House Republican Leader Martin of Massachusetts to fight for a far stronger bill, most officials figure the House will settle for a compromise acceptable to the Senate—one that would narrow down the Senate's broad jury trial amendment to cover voting rights cases only, instead of including a wide range of cases having nothing to do with civil rights.

Senate Approval Likely

Such a compromise would presumably reach the Senate on Thursday or Friday, according to present expectations. Adjournment would then depend on how long backers of a stronger measure and Southern foes of any civil rights bill want to make speeches. For unless the House acts in a manner other than now expected, Senate approval of a House compromise is regarded as practically certain.

Before the Senate gets to civil rights, it will have to deal with another controversial item, the foreign aid money bill.

Some of the Administration's biggest guns—Secretary of State Dulles, retiring Chairman Radford of the Joint Chiefs of Staff and outgoing International Cooperation Administrator John Hollister—will come before the Senate Appropriations Committee today to try to salvage the $810 million by which the House cut into foreign aid appropriations Thursday night.

By all signs, however, Mr. Dulles & Co. will have a tough time getting the Senate to restore as much as half the money slashed by the House. The House voted to appropriate $3.2 billion of new and left-over appropriations for the year that started July 1, down from the $4 billion now sought by the Administration. The $4 billion includes up to $3.4 billion of new appropriations authorized in an earlier bill and $600 million of previously-voted appropriations that would revert to the Treasury without new Congressional action.

Senators See Restorations

Deputy Democratic Senate Leader Mansfield of Montana predicted the Senate wouldn't add more than $300 million to the House bill. Democratic Senator Humphrey of Minnesota and Republican Senator Aiken of Vermont forecast a gain of $500 million. Any additions the Senate makes, of course, will likely be whittled away some when the bill goes to a House-Senate conference.

The fight over Federal vs. private construction of atomic reactors will provide a third major controversy this week. But this battle will likely be waged not on the floor of Congress but among House-Senate conferees.

The House had stripped from a bill authorizing $335 million to atomic appropriations for fiscal 1958 proposals for Uncle Sam to build seven nuclear reactors. Two—a $40 million natural uranium, gas-cooled reactor and a $15 million plutonium recycling plant—were knocked clean out of the measure. The House voted to let the Atomic Energy Commission negotiate with municipal power groups and rural co-ops for building five other reactors, as the A.E.C. wants, instead of forcing Uncle Sam to do the building himself.

But the Senate late Friday reversed the House completely. By identical 42-34 votes it voted, first, to keep the two extra reactors in the bill, then to require the Government to build the five nuclear plants the Administration wanted the co-ops and local power groups to construct.

At Least One U. S. Built Reactor

Insiders predicted the House-Senate compromise committee would agree to force Uncle Sam to build at least a few of the seven reactors. They note both House and Senate panels will be dominated by Democrats, who pushed the idea of Government-built reactors in the first place.

Democrats figure President Eisenhower must sign any bill the conferees work out—and Congress passes—since the measure will also contain the $335 million of regular authorizations for A.E.C. construction in the present fiscal year. The House Appropriations Committee is expected to vote the actual funds for the A.E.C. as soon as Congress approves an authorization measure.

Right after acting on the atomic authorization bill, the Senate quickly approved, with a technical change, a House bill that would provide up to $500 million of Government insurance to private reactor builders against atomic accidents. The Government will take over where private insurance firms leave off—somewhere around the $65 million level. The House will likely accept the slight Senate change and send the bill to the White House this week.

In addition to other appropriations bills for the Small Business Administration, Tennessee Valley Authority and military public works projects, Congress will likely deal with these matters:

Lead-Zinc: The Senate may take up a bill approved Friday by its finance committee that would raise to 3 cents a pound the tariff on imports of both lead and zinc. This is an increase from the present 1 1-16 cent a pound levy on lead and the 7-10 of a cent tariff on zinc. The Senate Finance group tacked this move onto a House-passed bill dealing with tariffs on mica imports.

Chairman Byrd (D., Va.) predicted Senate passage of the measure. But Democratic members of the tariff-handling House Ways and Means Committee disclosed strong indications they did not expect to act this session on lead-zinc tariffs.

Chairman Cooper (D., Tenn.) released a letter to President Eisenhower declaring that the President had all the authority he needs under existing law to give whatever relief the lead and zinc industries may need. Mr. Cooper said the other Democratic members of his committee, a majority, agreed with his letter.

Meat Packers: The House and Senate are both slated to take up bills aimed at transferring the Agriculture Department's jurisdiction over the meat-packing industry to the Federal Trade Commission. But the House version, which would give much less power to the F.T.C. than the Senate bill, faces likely defeat, killing any action on the topic until next year.

Pay Raises: The Senate is scheduled to consider, and probably pass, a House-approved bill to raise pay for postal workers by $350 million a year. It may also vote to increase wages of most other Government workers. But the President is all but certain to veto both measures, if enacted.

Postal Rates: A Senate Post Office subcommittee continues hearings this week on a House-passed bill to raise postal rates by over $500 million a year. But it's unlikely the measure will get beyond the committee this year.

Antitrust: Congress is expected to approve a compromise bill aimed at making exempt from antitrust laws certain railroad practices in contracting for reduced rates with Uncle Sam for hauling military personnel. The bill would not affect a $45 million suit by non-scheduled airlines against 42 railroads for such practices in the past.

Aircraft Loans: The House will take up today a measure to let the Government insure up to 90% of private loans to small feeder lines that finance purchase of new planes built especially for such lines. The Senate has already passed such a measure.

GM Official Terms Fighter Plane Profits "Fair and Reasonable"

He Says Net Was 11.3% of Sales Before Taxes, 5.4% After, or Well Below Commercial Rate

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—A high General Motors Corp. official insisted the auto company made no more than a "fair and reasonable" profit on a $344 million Air Force plane contract completed in 1955.

John F. Gordon, vice president in charge of G.M.'s Body and Assembly division, appeared before a House Armed Services subcommittee to answer charges by Chairman Hebert (D., La.) that the company got an excess profit of $17,459,200 on the production of 599 F-84F fighter planes at its Buick-Oldsmobile-Pontiac assembly plant.

G.M.'s profit, Mr. Gordon testified, was 11.3% of sales before taxes and 5.4% after taxes. "This is a reasonable rate of profit substantially below the rate of profit realized by General Motors on its commercial business," he said.

Noting that two rounds of price-redetermination talks with the Air Force lowered the total price of the contract from $370,529,236 to a final price of $343,959,500, Mr. Gordon said the reduction of $26,569,736 exceeds the allegedly excess profits made by the company.

Hearings Resume Today

The hearings are slated to resume today with testimony from Air Force officials about their service's role in the contract negotiations. Mr. Hebert has asserted the Air Force was not alert in detecting G.M.'s alleged overcharges.

The General Accounting Office, a watchdog arm of the Congress, recently made an audit of the contract. In a report submitted to the subcommittee, Comptroller General Joseph Campbell charged, among other things, that G. M. obtained a profit that was $17,459,200 "in excess of that contemplated" and "our examinations disclosed over-estimates totaling $8,322,000 in the contractor's proposed prices which were not disclosed in negotiations" with Air Force officials.

After the first 71 planes were produced, in September, 1954, G. M. and the Air Force conducted price-redetermination talks — routine with this type of fixed-price contract—aimed at retroactively adjusting the price for the first batch of planes and scaling down the price for future craft on the basis of experienced costs. The G.A.O. audit charged that G. M. knew at the time of the talks its parts would cost $1,700,000 less than it had expected, but didn't explain this to Air Force officials.

The Air Force, Mr. Gordon insisted, had available to it at the time of the talks the latest data on G. M.'s parts and other costs and never, during or after the contract, indicated it thought G. M.'s cost estimates had been unreasonable.

Efficiency Cited

Part of the unforeseen profit, the G. M. official said, resulted from G. M.'s efficiency in completing the planes ahead of schedule on a priority contract that some Air Force officials had termed "impossible." He characterized the G.A.O. audit as one based on a "strictly cost approach." The Air Force, he said, was concerned mainly with getting the planes at a reasonable price and wasn't primarily interested in G. M.'s costs and profits.

Referring to the controversial $1,700,000 item Mr. Gordon noted G. M.'s 1955 contracts still must be gone over by the Renegotiation Board and that any excess profits uncovered by this agency will be returned to Uncle Sam.

Mr. Gordon conceded under questioning by Mr. Hebert that the Renegotiation Board cannot retroactively adjust a specific contract, but can only look at a company's entire business with the government in a given year. An excess profit on one contract, Mr. Hebert said, can thus be used to "dilute losses in other areas" as far as the board is concerned.

Barring a ruling by the Renegotiation board, Mr. Gordon said under questioning, there was no "legal or moral obligation" on him or G. M. to pay back to the Government any of the alleged excessive profits.

Referring specifically to the $1,700,000 of alleged "over-charges" for parts costs, Mr. Gordon said data presented in the September, 1954, redetermination talks were based on the latest available information and that, in any event, it was an "internal policy" at G. M. to worry only about over-all profits on a contract, rather than possible unforseen overcharges on one item that might be offset by unforseen costs rises on other items.

Sohio, Union Settle 70-Day Strike; Workers Expected Back Today

AFL-CIO Unit Drops Retroactive Wage Demand, Settles Firm's Damage Suit Out of Court

By a WALL STREET JOURNAL Staff Reporter

CLEVELAND—A 70-day strike of 1,800 workers against Standard Oil Co. (Ohio) was settled over the weekend, with most, if not all, of the strikers expected back on the job today.

Sohio expects that within a week its refineries will be back in full operation. The striking union was the A.F.L.-C.I.O. Oil, Chemical and Atomic Workers Union.

Over the weekend workers at the company's two Cleveland refineries voted to accept the original one-year agreement that called for a 6% wage increase and improved fringe benefits. Workers at Toledo went back Friday. At Lima, Ohio, workers have been returning voluntarily for the past week and the Union has directed the entire force at the Sohio refinery and petrochemical plant there to go back today though an agreement has not been finally reached.

At Latonia, Kty., where Sohio has an asphalt plant, workers were meeting late yesterday to thresh out a local problem there, but union officials expected the workers to agree to the settlement.

Union officials had originally agreed to the wage settlement, but called a strike June 7 after the company rejected a late demand that the pay boost be retroactive. Besides finally dropping this demand, the union also was forced to pay an undisclosed amount in out-of-court settlement of a $856,000 damage suit filed by the company charging secondary picketing of a construction project at Toledo.

Both sides agreed not to disclose the size of the fine which was determined out of court.

Sohio has a total oil refining capacity of about 140,000 barrels daily. It normally sells about 30% of all the gasoline consumed in the state of Ohio. During the strike Sohio's service stations were supplied from inventories previously accumulated. They also received oil products produced by other companies for Sohio.

Plumbers Strike Ended

By a WALL STREET JOURNAL Staff Reporter

LOS ANGELES—The seven-week plumbers strike which had idled some 8,000 workers in southern California ended over the weekend when union members ratified a new contract.

The three-year agreement calls for wage increases totaling 55 cents an hour and a 10% increase in fringe benefits.

A strike of sheet metal workers in southern California also appeared near an end as union members were scheduled to vote Sunday on acceptance of a tentative agreement worked out by union and employer negotiators. Details of the proposed agreement were not announced.

If both strikes are settled, it will mean an end, at least temporarily, to the labor troubles which have plagued the building industry in southern California in recent months. Earlier this summer hod carriers were off the job for several weeks.

The disputes have slowed construction valued at an estimated $500 million.

Newport News Shipbuilding to Build First Atom-Driven Aircraft Carrier

Westinghouse to Construct Reactor; 75,000-Ton Ship To Cost $314 Million

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON—The Navy tentatively decided to award the construction contract for the first atom-powered aircraft carrier to Newport News Shipbuilding & Drydock Co.

A final contract for work on the mammoth 75,000-ton vessel, expected to cost $314 million, will be awarded "subject to acceptable contract negotiations" with the shipbuilding firm, a brief Navy announcement said. Barring an unforeseen hitch in these talks, officials explained, the contract will be awarded.

It's understood the contract would absorb all or most of the $292 million recently appropriated by Congress to complete the vessel. Last year the lawmakers voted $22 million for a start on the carrier's nuclear reactors.

Newport News' portion of the carrier contract probably will be between $150 and $200 million, Robert I. Fletcher, financial vice president, said. Balance of the funds would go toward development of a reactor and internal systems to be provided by the Navy.

Award Was Expected

Award of the contract to Newport News was expected because the shipyard and Westinghouse Electric Corp. have been working for some time on a propulsion system. Westinghouse has a contract to build the reactor.

Mr. Fletcher said the company will begin construction on the vessel immediately and predicted it would take "at least as long to construct" as the conventional c-rrier U.S.S. Forrestal. The shipyard built that vessel in 44 months.

"This probably will run our backlog up in excess of $500 million," Mr. Fletcher said, "and add to our already satisfactory operating outlook through 1960." The shipyard's backlog now is about $340 million, he said.

The disclosure of negotiations with Newport News was contained in the Navy's announcement listing $1,584,000,000 of new ships and ship conversions to get under way with funds voted by Congress for the fiscal year that began July 1. Most of the ships will take several years to build.

Other Vessels in Program

Other vessels in the program include the smallest atom-powered vessel to be built to date—an atomic submarine costing approximately $50 million to be built by Electric Boat division of General Dynamics Corp.

Ten new vessels will be awarded to private shipyards on a competitive basis, the Navy said, adding it will try to spread the business around the U. S. geographically. These include the first atom-powered guided-missile submarine, five guided-missile destroyers and four guided-missile frigates.

Other phases of this fiscal year's shipbuilding program, namely the construction of three other frigates and two other submarines, plus conversion work on 10 other ships, will be carried on entirely in its own shipyards, the Navy said.

Business Milestones

Holders of Schering, White Laboratories To Vote on Merger

Proposal Calls for 2-for-1 Split Of Schering Stock, With White Operating as Subsidiary

By a WALL STREET JOURNAL *Staff Reporter*

BLOOMFIELD, N. J. — Stockholders of Schering Corp. and White Laboratories, Inc. will be asked September 19 to vote on a proposed merger of the two companies.

Francis C. Brown, president of Schering, and James C. DeCesare, president of White, issued a joint statement that directors of both companies approved the merger proposal, terms of which has White being operated as a wholly-owned subsidiary of Schering.

Under terms of the agreement, Schering stock would be split two-for-one. Schering common stock, authorized at 2,250,000 shares, 15 cents par value, would be converted into 6,000,000 new shares, $1 par value. On the basis of 1,760,000 shares now outstanding, the split would place 3,520,000 shares in the hands of present holders. Schering also would create 278,983 shares of a new "5% cumulative preferred stock," par value $30.

White shareholders then would receive 1¼ shares of the new Schering common, in addition to one share of the newly created Schering preferred in exchange for each share of White Class A and B common. White has a total of 274,593 shares of both Class A and B outstanding.

Schering stock closed Friday on the New York Stock Exchange at 81, off 1¾. Volume totaled 1,700 shares. White is a closely held company with 230 shareholders.

Schering produces ethical drugs, veterinary medicinals and a line of proprietary and cosmetic specialties. White Labs, together with its subsidiary, Pharmaco, Inc., also serves the ethical and proprietary markets. Its principal proprietary items include Feen-A-Mint, a chewing gum laxative, and Chooz, an antacid chewing gum.

If the merger is approved, the resulting company would have assets of nearly $53 million, a spokesman indicated.

Schering for 1956 reported net income of $10,625,000, equal to $6.04 a share on the 1,760,000 shares outstanding. Sales totaled $54,554,000 for the entire year. White earned $1,654,000 for 1956 on sales of $12,756,000.

Schering in the second quarter of 1957 earned $2,472,000, equal to $1.41 a share, up from $2,379,000 or $1.35 a share reported for the like period a year ago. Schering sales for the second quarter were $14,437,000, compared with sales of $13,567,000 in the second quarter of last year.

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Western & Southern Life Buys Imperial Life Shares

CINCINNATI—Western & Southern Life Insurance Co. announced acquisition of more than 90% of the outstanding stock of Imperial Life Insurance Co. of Ashville, N. C.

On the basis of the 480,000 shares of $5 par capital stock outstanding, the acquisition is reported to be in the neighborhood of $12 million.

Total assets of Imperial amount to $34 million and life insurance in force amounts to $180 million. Imperial has about 500 field representatives and 100 home office employes.

Wm. C. Safford, president of Western & Southern, said Imperial will be operated as a division of Western & Southern out of Imperial's offices in Ashville.

Western & Southern has total assets of $765 million and $3.5 billion insurance in force.

The acquisition of Imperial marks the second time this year Western & Southern has purchased an insurance firm. In January, it acquired more than 50% of Life Insurance of Missouri (St. Louis) stock, a transaction that involved around $7 million.

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International Basic Economy Acquires Bangkok Interest

NEW YORK—International Basic Economy Corp. said it has acquired controlling interest in Economic Development Corp. of Bangkok, Thailand, from International Services, Inc., Washington, D. C. Terms were not announced.

The acquiring concern, headed by Nelson A. Rockfeller, is an international finance and development concern. The announcement said additional money—the amount was not specified—will be provided to expand Economic Development Corp.'s financing operations.

The Bangkok company was described as a representative of a number of leading European and American companies involved in farm and industrial development work in Thailand, Cambodia, Laos and South Viet-Nam and also the operator of an export-import business.

Robert Weber will continue as president of Economic Development Corp., the announcement said.

Vogel Says Meyer Once Was Set to Drop Fight Against Him in Loew's

By a WALL STREET JOURNAL *Staff Reporter*

WILMINGTON—Stanley Meyer, one of the leaders in the fight against Loew's Inc.'s management, at one time indicated he would back out of the fight, but changed his mind, Joseph R. Vogel, Loew's president, charged in Court of Chancery here.

Affidavits filed by Mr. Vogel, attorneys Ben Melniker, Louis Nizer and Sidney Davis, and Carlton Skinner, executive assistant to the president of American President Lines, Ltd., charged that they heard Mr. Meyer say he was "fed up with the manipulation" of Joseph Tomlinson to gain control of Loew's.

The affidavits said that Mr. Meyer made this statement on March 29 in a telephone conversation with Mr. Nizer in his New York office. The conversation was heard through a loudspeaker, which was on, Mr. Vogel said, with Mr. Meyer's knowledge and consent.

Mr. Vogel's affidavit said that Mr. Meyer thought at that time that "I would take legal or public action to hold the conspirators responsible and he was attempting to buy his peace by confession." However, the affidavit continued, "when Mr. Meyer found that his fears of retribution were, as he thought, unfounded, he again joined in the conspiratorial plot."

The statements were filed here in reply to a suit of Mr. Tomlinson's which asks that the election of Louis B. Mayer and Samuel Briskin to Loew's board be declared valid. Loew's management, headed by Mr. Vogel, has asked the court to invalidate their election, to hold invalid all actions of a July 30 board meeting at which they were elected, and to prevent interference with a special stockholders' meeting called for September 12.

Also filed in court were affidavits from William A. Parker, chairman of Incorporated Investors, Inc., Boston, and George Killion, president of American President Lines, attesting to Mr. Vogel's competence. Both are Loew's board members.

Conoco Asks 10 Educators To Survey Its Operations

HOUSTON—Continental Oil has invited 10 educators to survey and analyze the company's operations and to make recommendations to improve policies and methods, L. F. McCollum, president, said.

The program will start today.

Although a number of U. S. firms have sponsored similar projects, Conoco believes its program is unique in that the company has asked the educators to look closely into its operations and policies and to submit their analyses and suggestions at the end of the study period.

"We want an objective, outside examination and evaluation of our over-all operations and our management to aid us in identifying possible problems and weaknesses," Mr. McCollum said.

Fairmont Foods Acquisition

NEW YORK—Fairmont Foods Co. of Omaha, Neb., has bought the outstanding stock of Wm. H. Heinemann Creameries, Inc., operators of the Heinemann-Kewaskum Dairy of Milwaukee, the companies announced.

Heinemann processes and distributes milk, cottage cheese and other dairy products in an area including Milwaukee, Sheboygan, Found du Lac and Oshkosh, Wis.

Fairmont, which processes and distributes dairy products, ice cream, poultry, frozen foods and specialty food items in 32 states east of the Rocky Mountains, also has a large plant at Green Bay, Wis.

Washington at Work

White House

Railroad Reorganization: President Eisenhower signed into law a bill (H.R. 3775) designed to block small minority shareholder groups from holding up desirable railroad reorganization plans.

Kuykendall: President Eisenhower named Jerome Kuykendall to a new term as chairman of the Federal Power Commission.

Congress

Lead-Zinc: The Senate Finance Committee voted to increase import tariffs on lead and zinc to three cents a pound each. This action, along with an amendment to permit duty-free imports of certain wool yarns used in carpet-making, were tacked on to a House measure (H.R. 6894) that would provide easier tariff treatment of certain types of mica products. Democratic members of the tariff-writing House Ways and Means Committee oppose the metal tariffs.

Air Subsidies: The Commerce Department, Air Transport Association and several small airlines urged a Senate Commerce subcommittee to approve a bill (S. 1753) to prevent the Civil Aeronautics Board from deducting from subsidies it pays to air lines—the returns carriers may get from sales of old equipment, providing these capital gains are reinvested in new equipment.

Social Security: The Senate Finance Committee approved with an amendment a House-passed bill (H.R. 8892) to extend until April 15, 1959 the time within which a minister may elect to come under the social security system. The amendment would broaden the types of income a minister could count for purposes of coverage.

Unemployment Compensation: The House passed and sent to the Senate a bill (H.R. 8888) to extend the Federal unemployment compensation program to employes working for airlines overseas, working for certain non-profit feeder organizations, and various other workers.

Withholding Taxes: The House passed and sent to the Senate a bill (H.R. 8865) to give the Government more power to act against employers who withhold income and social security taxes from workers' paychecks but fail to turn the money over to the Government.

Pension Trusts: The House passed and sent to the Senate a bill (H.R. 9049) to permit employe pension trusts set up by brokerage firms and certain other organizations to make unsecured loans to the employer without loss of tax exemption.

Musical Comedies: The House passed and sent to the Senate a bill (H.R. 8794) to exempt from the Federal admissions tax musical comedies staged by non-profit civic associations.

Food-Drug: The Senate Labor Committee approved a House-passed bill (H.R. 6456) to allow the export of goods condemned by the Food and Drug Administration after the items were allowed to enter the U. S.

Tax Amortization: The Senate Finance Committee rejected a proposal by Defense Mobilizer Gray to issue a fast tax writeoff certificate to Pacific Trailer Steamship Co. on two roll-on, roll-off ships.

Steel: Officials of United States Steel Corp. told a Senate Judiciary subcommittee increased wage demands have outstripped productive efficiency and are chiefly responsible for steel price hikes.

Music Publishing: The House passed and sent to the Senate a bill (H.R. 8960) to ease the tax treatment of music publishing companies and certain other firms getting copyright royalties.

Stock Options: The House passed and sent to the Senate a bill (H.R. 9035) to ease the tax treatment of restricted stock options which have not been exercised at the time of the employe's death.

Depletion: The House passed and sent to the Senate a bill (H.R. 2391) to allow a percentage depletion deduction on income from sand and gravel extracted from navigable waters with the permission of the U. S. Government.

British Taxes: The House passed and sent to the Senate a bill (H.R. 4952) to ease the tax treatment of U. S. taxpayers getting royalites from sources within the United Kingdom.

Poultry Inspection: The House approved a conference report on legislation to require the compulsory Federal inspection for wholesomeness of raw poultry destined for interstate shipments or shipped great distances within a state. The industry has backed the bill.

Land Policy: A majority of the House Government Operations Committee approved a report criticizing the Army and Interior Departments' joint policy for acquiring land for reservoir projects. Republicans disagreed.

Estate Tax: The House passed and sent to the Senate two bills (H.R. 8881 and H.R. 8887) designed to ease the estate tax treatment in certain technical respects.

Highways: A Senate Public Works subcommittee wound up hearings on right-of-way acquisitions in the Interstate Highway System.

Gilhooley: The Senate Labor Committee approved the nomination of John J. Gilhooley to be an Assistant Secretary of Labor.

Bureaus

Air Fare: A Civil Aeronautics Board examiner recommended the agency approve a United Air Lines, Inc., plan to charge higher fare on "custom coach" flights than on other coach services.

Red Trade: Commerce Secretary Weeks reported his agency approved $19.4 million of goods in the second quarter for shipment to Iron Curtain countries. This was up from both the previous quarter and the year-ago period.

Spain: The U. S. and Spain signed an atomic power agreement under which the U. S. will let Spain have up to 500 kilograms of uranium-235 nuclear fuel for atomic reactors during the next 10 years.

Airline Schedules: The Civil Aeronautics Board issued a regulation requiring passenger airlines to start completing at least 75% of their flights within 15 minutes of the time alloted them on the airlines' schedules.

Air Planning: The Civil Aeronautics Administration published the second in its series of reports on Jet Age Planning. Copies are available at 25 cents each from the Commerce Department, Washington 25, D. C.

This Week in Washington

LABOR PROBE: The Senate Special Investigating subcommittee resumes hearings today with Teamster Vice President James R. Hoffa expected to testify tomorrow.

MONEY STUDY: The Senate Finance Committee expects to recess its current hearings on the nation's economic health after more testimony today from Reserve Board Chairman Martin.

FOREIGN AID: The Senate Appropriations Committee will hear Administration officials today on the foreign aid money bill cut voted by the House.

CIVIL RIGHTS: The House is expected to take up on Wednesday the Civil Rights Bill as amended by the Senate.

LEAD-ZINC: The Senate may take up this week a bill approved by the Senate Finance Committee to raise lead and zinc imports duties to 3 cents a pound.

MEAT-PACKERS: The House and Senate are scheduled to take up bills to transfer from the Agriculture Department to the Federal Trade Commission jurisdiction over the meat-packing industry.

AIRCRAFT LOANS: The House is scheduled to act today on a bill to let the Government insure up to 90% of private loans to small feeder airlines to buy new equipment.

POSTAL RATES: A Senate Post Office subcommittee continues hearings on the bill to raise postal rates. The House has passed the bill.

PRICE INVESTIGATION: The Senate Antimonopoly subcommittee continues its study of so-called "administered prices" tomorrow.

Florida East Coast

FLORIDA EAST COAST RAILWAY reports:

	1957	1956
a-June net loss	$182,764	$305,184
a-Six months net loss	95,306	b-9,828

a-After taxes and charges. b-Income.

Hearings on Monetary Policy May Recess This Week Until Fall

Further Questioning of Federal Reserve Board Chairman Is Scheduled for Today

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—The Senate Finance Committee expects this week, possibly today, to recess until the late fall its current investigation of Governmental monetary policy.

The committee has agreed to call it quits for the time being after Sens. Long (D., La.) and Carlson (R., Kan.) finish questioning the current witness, Federal Reserve Board Chairman Martin.

Sen. Long, who has already questioned Mr. Martin for the better part of two mornings, will pick up again today. Sen. Carlson said that if Sen. Long leaves him just a little time today, he will finish too.

The hearings will resume, probably with Mr. Martin still on the witness stand, at some time this fall, to be fixed by Chairman Byrd (D., Va.). Best guess was that it would be at least mid-October before any further sessions may be held. Some members, including both Democrats and Republicans, indicated it would be fine with them if the hearings never resumed.

Other Business Cited

Mr. Byrd said the decision to recess was made after several Senators reported that, with the rush to adjourn, they had so many other committees to attend and other business to look after that they couldn't give much attention to the monetary investigation.

Mr. Martin has been the third witness so far. The hearings got under way with former Treasury Secretary Humphrey as the leadoff witness, followed by Under Secretary Burgess.

In his latest testimony, Mr. Martin insisted the Reserve Board has done what it felt best for the economy, even when the Administration felt differently. For example, he said, he believed the Administration would not have tightened credit in the last year as rapidly as the board did.

During last year, he declared in answer to questioning by Sen. Long, the Administration did not attempt to pressure the board in the sense of demanding action on an "or else" basis, but did try on a number of occasions to persuade the board "in friendly discussion" as to matters of judgment and timing in the monetary field.

Difference Over 1956 Action

Asked for examples where the board had acted contrary to Administration desires, Mr. Martin said the "most glaring instance" was in early 1956 when the board decided to raise the discount rate before the Treasury thought such action was justified. He said there had been differences of opinion "in some degree" on subsequent increases in the discount rate, and he was sure that "if it had been handled by the Administration, it would have been handled differently."

The board chairman later explained he meant increases in the discount rate "would have been less rapid" if the Administration had been making the decisions. He did note, though, that in early 1955 the Administration wanted the discount rate to go up but the board didn't agree.

The F.R.B. has always preserved its "prerogative to disagree" with the Administration, Mr. Martin summed up.

Texas Boosts September Oil Output Quota by 68,287 Barrels Daily

Most Purchasers Approve of Boost, But Several Had Requested Reduction

By a WALL STREET JOURNAL *Staff Reporter*

AUSTIN, Texas—The Texas Railroad Commission boosted the state's permitted crude oil production by 68,287 barrels daily for September, despite predictions of cutbacks by purchasers in their oil buying.

The state's 177,000 oil wells will be permitted to produce at an average of 3,127,506 barrels daily for September, up from the August 10 figure of 3,059,219 barrels a day. Most fields will be restricted to 13 days' flow, the same as for the longer months of July and August.

A majority of major purchasers of Texas petroleum recommended the 13-day schedule which the regulatory agency adopted. These were Sinclair Crude Oil Co., Shell Oil Co., Phillips Petroleum Co., Cities Service Oil Co., Texas Co., Indiana Oil Purchasing Co. and Humble Oil & Refining Co., affiliate of Standard Oil Co. (New Jersey).

When W. C. Rhodes of Sinclair Crude Oil told the commission that its "demand picture had increased" since original requests were filed August 10, Commissioner W. J. Murray, Jr., said he doubted that he had heard correctly.

"Increased?" asked Mr. Murray.

Mr. Rhodes said, "Yes." Sinclair boosted its production request to 13 days from 12.

Several Asked for Cuts

This contrasted with pleas by Gulf Oil Corp. and Magnolia Petroleum Co., a Socony Mobil Oil Corp. affiliate affected by a strike, for the Texas Commission to slash output to 10 days a month, which would have cut the quota more than 400,000 barrels below the current level. Atlantic Refining Co. requested a 92,000-barrel-a-day cut cut (12 days' operation) and Sun Oil Co. a nearly 254,000-barrel reduction (11 days).

[The Interior Department over the weekend estimated U. S. demand for domestic crude oil will be up 100,000 barrels a day in September. Story below.]

Magnolia's spokesman, D. R. Wall, noted that no settlement is in sight for the strike at its East St. Louis refinery and that 10 days' production per month in Texas is all Magnolia can take.

Atlantic to Cut Refinery Runs

E. J. Henry of Atlantic Refining Co. said it was reducing its recommendation from 13 to 12 days for next month because of a decision to cut refinery runs by 16,000 barrels daily. Some of this reduction will come from domestic crude, Mr. Henry said.

Ralph Harvey of Wichita Falls, representing the North Texas Oil and Gas Association, said independent producers are beginning to "doubt the wisdom of continued cuts." His group has favored the 13-day schedules set by the Texas commission for July and August in an effort to overcome the glut of oil.

"We don't know where we will end up," commented Mr. Harvey. "We haven't got much farther to go."

J. G. Coates of Gulf reported the company has an over-supply of 35,000 barrels of crude daily, for which it has no storage. Efforts to sell the extra oil have failed, said Mr. Coates. He said he understood Gulf's plight is "not unique" in the industry.

"Unless the commission revises its August order for 10 days and sets 10 days in September, Gulf will have to prorate (purchases)," Mr. Coates told the commission. Later, Gulf announced it would prorate purchases on a 10-day pattern beginning last Saturday morning.

Under questioning, Mr. Coates added that Gulf is reducing its imports according to President Eisenhower's recent request for voluntary curbs on incoming oil. Many concerns are disputing their allotments.

Gulf plans to import at a rate of 111,600 barrels daily for the year ending June 30, 1958, Mr. Coates said. It had expected to average 153,000 barrels a day for the last half of 1957 to offset reductions made earlier this year because of trouble in the Middle East. Its 1957 average import schedule was based on 125,000 barrels daily, Mr. Coates said.

At another point, Chairman Olin Culberson of the commission referred to the President's request for voluntary reduction of imports as "a noble experiment." He expressed the opinion that much of Texas' crude oil market already has been lost to foreign suppliers and some to other states which failed to reduce production in line with Texas.

Sun Oil Co. has been recommending a 15-day schedule for Texas wells, while other purchasers favored much less output. The company's representative, Joe Owens of Beaumont, told the commission that notice was received from a customer for reduced products purchases which called for drastic revision of Sun's request.

Mr. Owens said Sun will require only 11 days' production from Texas in September. The spokesman said Sun had "lost an outlet for refined products" in the last seven days.

Spokesmen for two producers in newly-developed fields of Ochiltree County, Northwest Texas, said refiners are unwilling to buy their oil. Will Odom and W. R. Stearns, both of Austin, expressed fear that leases will revert to the owners because of non-production.

"We're 100% shut in," said Mr. Odom, representing independent operator M. A. Machris and others.

Loss of Leases Feared

"The commission should give us some share of the market in the area," said Mr. Odom. "We have a continuous drilling obligation on our leases."

He said his producers offered to deliver crude to Texas Panhandle refineries by truck, and pay transportation costs, but without avail.

Commissioner Murray added that the Railroad Commission gives "bonus" production quotas for discovery wells, to encourage exploration, and that it is regrettable when successful wildcatters cannot sell their oil.

Importing companies, meanwhile, reported to the commission that July shipments of oil into the U. S. totaled 1,360,021 barrels a day, or 143,494 less than forecast last month.

Further reduction is in prospect, although it is not known how much of this is in response to the President's request. Schedules for August average 1,498,327 barrels a days, down 67,998 from those posted a month ago; September 1,432,465, down 65,195; October, 1,453,493, down 105,553; November 1,452,199, down 136,327, and December 1,552,652, no previous estimate.

Oil Demand May Rise

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON—U. S. demand for domestic crude oil will jump in September by an estimated 100,000 barrels a day, mainly as a result of President Eisenhower's program to curb imports, the Interior Department said.

September demand for domestic crude was estimated by the agency at 6,800,000 barrels a day, up from the 6,700,000-barrel rate predicted for August.

September imports should be cut to 1,100,000 barrels a day, compared with the July rate of 1,220,000 barrels, under the voluntary reduction plan, the department estimated.

New Mexico Cuts Quota

SANTA FE—The New Mexico Oil Conservation Commission cut the daily oil production quota for September to a record low of 37 barrels daily per unit. The August allowable was 38.

Enrollment at Schools And Colleges Put at Record 43,135,000

Federal Report Sees One of Every Four People in U. S. at School In 1957-1958

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON—School and college enrollment will set a new record of 43,135,000 in the coming 1957-58 school year, U. S. Education Commissioner Lawrence G. Derthick predicted.

The total will be about 1,769,000 higher than last school year, Mr. Derthick reported. It marks the 13th consecutive yearly advance and means one out of every four persons in the U. S. will be going to school.

As a result of the increased enrollment, there will be a shortage of about 135,000 qualified elementary and high school teachers, compared with a shortage of about 102,700 last year, the commissioner said. There was no mention in his statement of the possibility of school space shortages.

The cost of public elementary and secondary school education last year was estimated at about $400 per pupil, including capital outlay, or about $12 billion for the country as a whole. There was no prediction on the cost this year.

In a breakdown of the enrollment figures, Mr. Derthick estimated there will be 30,670,000 children in public and private schools in kindergarten through eighth grade, up from 29,711,000 last year.

High school, or grades 9 through 12, enrollment for 1957-58 was estimated at 8,424,000, a gain of 604,000 over last year's 7,820,000. For every 100 persons aged 14-17 years, 83 will be enrolled in high school. Ten years ago, 74 in 100 were enrolled.

Colleges and universities will enroll about 206,000 more students during the coming academic year than they did in 1956-57—3,450,000 this year, up from 3,244,000 last year, Mr. Derthick estimated.

Colleges and universities with about 90% of the total higher education enrollment have reported they expect to spend $3.6 billion on new facilities during the five-year period, 1956-60, the statement said. This would be double the sum spent during the previous five years.

Southeast General Telephone To Issue Stock for Merger

CHARLESTON, W. Va.—The Public Service Commission of West Virginia authorized issuance of stock for the merger of General Telephone Co. of the Southeast with several subsidiary companies in the Carolinas.

Under the proposal, Southeast General Telephone will merge with Durham Telephone Co., South Carolina Continental Telephone Co., Georgia Continental Telephone Co. and Southern Continental Telephone Co.

The transaction will include issuance of 897,360 shares of Southeast General Telephone common at $10 par in exchange for cancellation of the seven companies' common and issuance of up to 120,000 shares $25 par 5.8% cumulative preferred, of which 92,120 shares will be exchanged for the preferred of Durham, Georgia Continental, South Carolina Continental and Southern Continental.

The Public Service Commission scheduled a hearing next Monday on a proposal by Southeast General to issue two series of first mortgage bonds, totaling $11,477,000.

West Coast Price War Cuts Tags on Gasoline By as Much as 6 Cents

Attorney General Threatens to Act Under California Unfair Practices Law

A WALL STREET JOURNAL *News Roundup*

A gasoline price war is making motorists happy in major West Coast cities. In two weeks, prices have dropped as much as six cents a gallon in Los Angeles, San Francisco, Oakland, Sacramento and Seattle areas.

California's attorney general warned oil companies and trade associations that unless price slashing ends, his office wil take "appropriate action" under the state's unfair practices law.

The Southern California Service Station Association said 15 stations have been forced to close in the Los Angeles area, where prices dropped as low as 23.9 cents. In Los Angeles, San Francisco and Seattle areas, many station employes have been dropped, local retail associations claim.

Spokesmen for the trade associations agreed the current price war is caused by an over-supply of gasoline. "The price competition can be attributed to heavy imports of crude oil from Arabia and other foreign ports, plus misjudgment of consumption expectations," said Seattle's Seth Campbell, president of the Washington Gasoline Dealers Association.

The American Petroleum Institute reported that for the week ended August 9, stocks on hand for District 5 (Western states) amounted to 25,169,000 barrels, up from 22,122,000 a year earlier. For the week ended August 2, the figure stood at 25,522,000 barrels.

Disagreement on Reasons

John A. Touhey, executive secretary of the Southern California Association, blamed the large oil companies for starting the price war by selling gas to individual stations at different prices.

But a check with San Francisco service stations, trade associations and refiners found marked disagreement as to the prime source of the trouble.

Said a spokesman for the San Francisco Petroleum Retailers Association, "certain major oil companies, faced with an over-supply, dump their products by offering discriminatory subsidies, rebates and special allowances to some dealers." This causes "canopy cutting," which he said is the term for offering an enticing discount rate to customers without publicly posting a lower price.

"Other station managers, faced with declining volume, are forced to post lower prices, and thus, the fight is on," the spokesman explained.

"None of the gas station operators likes a gas war," commented Jim Tracy, who runs a Union Oil station in San Francisco, "The way things are going now, I'll probably lose around $300 a month of my gross."

Meetings Scheduled

Meetings between oil companies and trade associations have been arranged in Los Angeles and San Francisco in hopes of settling the matter and warding off any possible action from the attorney general's office.

Edmund G. Brown, California attorney general, issued a strongly-worded telegram indicating possible violations of the California Unfair Practices Act and warned if conditions "do not reflect prompt and satisfactory impovement, the attorney general will take appropriate action."

A representative of the attorney general's office explained that under the Unfair Practices Act, it's unlawful to sell any commodity below cost, which is defined as invoice plus operating cost or overhead. The operating cost is presumed to be at least 6%, he said.

Copper Producers Look for Upturn, Note Slight Market Improvement

Metal's Spot Price Touches Post-War Low in London On Fears of Devaluation

By VICTOR J. HILLERY
Staff Reporter of THE WALL STREET JOURNAL

NEW YORK—Copper producers in the U.S. are trying to determine whether a few bright glimmerings that have appeared in the red metal market are the signal for an upturn or only momentary sputterings.

Their description of the market during the past week was in such terms as "a wee bit better" and "some rays of sunshine." One top official of a producing company declares: "Although it could be wishful thinking, I think I sense a definite turn because several of our customers have asked for a little more copper than they ordinarily take at this time."

Decline, Comeback in London

On the London Metal Exchange, copper's price, after first sinking on Tuesday to a new post-war low of the equivalent of slightly less than 26 cents a pound, bounced back later and at the week's close was the equivalent of 26½ cents a pound. Its rise however, did not stem from any acceleration in the consumption of copper. Rather, its strength was attributed to weakness in the pound sterling and expectations in some quarters that devaluation of the pound was in the offing.

Before the new strength had blossomed on the London market the anticipated cut was made by the Rhodesian Selection Trust, Ltd., a group of African mines, in its copper price. The group pared its quotation the equivalent of 1¼ cents to 26¼ cents, delivered London.

In this country, one segment of their market which the copper salesmen are watching for signs of improvement is among the brassmakers. But although some of these manufacturers report some "hairline improvements" and "hopeful signs in their business, it was obvious that no rush to buy brass was developing. While the president of one brass company noted "a little more brightness" in demand from homebuilders, another said the brass market was "moving sideways — no definite trend either up or down."

The brass producers are hopeful that the stimulus which will get their sales off the ground will be provided by the auto industry. "If the new car models are accepted, then we can expect an immediate spurt in our sales," says one brass official. Another explains that a pickup in the businesses of brass-buyers would be quickly reflected in brass mills' sales. That's because the inventories of the brass consumers are at "rock bottom," according to the mills.

Problems of Inventories

These low customer inventories are making it difficult for the mills to keep their own inventories at reasonable levels. "Because their inventories are so low they are demanding more rapid deliveries from us which means we have to keep larger stocks at all our processing stations," says the president of one brass concern. He adds: "They're demanding some deliveries in 24 hours which normally would take 30 days. We lost a sheet brass order this week because we couldn't ship it the same day the order came in."

One check rein which has slowed buying by brass-users is the same one which makes mills reluctant to load up with any more copper than they absolutely need: The universal hope that copper's price will go lower. The producers' price, which reached a high of 46 cents a pound last year, has been falling for several months and was cut again early this month to 28½ cents. The reduction, however, failed to stir any new big demand for the metal and, therefore, left many customers wondering whether it had still further to fall.

Custom Demand Eases

But the producers' action did wash out some demand for custom smelters' copper. The custom operators sell their metal below the primary producers'; quotations when the market is slack and above the producers when it is tight—last year their price went as high as 55 cents a pound. But when the producers lowered their price this month the difference between their new price and the custom smelters' quotation was narrowed to only 44¼ cents. Because the spread had been a full cent, some observers had expected the custom smelters' price last week to slide lower.

But despite the narrow spread in the prices and the inactivity in the market for custom smelter copper, the quotation held to the previous level of 28¼ cents a pound.

Copper scrap registered a further drop early in the week. It declined a ¼ of a cent to 22 cents for No. 2 copper wire scrap. This is the equivalent to between 27 cents and 27½ cents a pound for refined copper that would be available from this scrap for delivery three months from now.

The depressed condition of the copper market, which has resulted in the metal's present price, was pointed up this past week by the industry's July figures released by the copper institute. These showed that stocks in domestic producers' hands had risen by the end of July to 191,515 tons, the highest level since September 1949. This was an increase of 26,000 tons during the month, and it compared with the year earlier total of 87,944 tons.

Producers' stocks continued to grow in spite of the fact domestic refined production of the metal in July dropped to 127,434 tons from June's output of 134,270 tons. The reason was that shipments of the refined metal to fabricators had fallen even more, sinking to 84,702 tons in July from 101,993 tons in June. This was a reflection of the depressed state of the market as well as the vacation period slow-down among fabricators.

Lead and Zinc Confusion

Lead and zinc markets last week were hit by the confusion which arose as the industry awaited the fate of the proposals before Congress to raise tariffs on lead and zinc.

Sales of lead were better than zinc's volume. A big part of the demand for lead came from the replacement battery makers. Replacement battery shipments in June were above those in June 1957. Lead's price was firm at 14 cents a pound, New York.

Die-casters and galvanizers were doing some zinc buying last week but sales were no great shakes. The metal's price was 10 cents a pound, East St. Louis. The metal's low price was cited as the reason for the announcement by New Jersey Zinc Co. that it was halting production at its Sterling mine at Ogdensburg, N. J.

P. & G. Unit to Curtail Operation

PORTSMOUTH, Va.—Procter & Gamble Manufacturing Co., a subsidiary of Procter & Gamble Co., will stop making fats and oil products at its plants here. About 40 workers will be laid off.

T. E. Skeppstrom, plant superintendent, said the move was made because of high costs involved in shipping soybeans to Portsmouth. The plant originally used cottonseed as a raw material, but the P. & G. unit later switched to soybeans.

P. & G. earlier in the year began making peanut butter at Portsmouth and will continue this operation with about 140 employes.

Senate Unit Due to Hear Hoffa Tomorrow on Tie To New York Teamsters

Sen. Ives Attacks Hoffa's Plan For Super-Transport Union, Suggests Antitrust Legislation

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON — Senate investigators this week call Teamster Vice President James R. Hoffa to climax their investigation of labor racketeering in New York City.

Mr. Hoffa is slated to appear tomorrow after weeks of witnesses and evidence have alleged that the front-runner to take over the Teamsters' presidency was at the bottom of a plot to give him control of New York Teamster operations. The plot allegedly included phony Teamster locals, a rigged union election and the help of gangsters and racketeers.

Chairman McClellan (D., Ark.) claims Mr. Hoffa was the "obvious beneficiary" of the scheme.

Mr. Hoffa and his reported plans for a super-union of all transport workers in the country came under new attack yesterday by Sen. Ives (R., N. Y.), who indicated his strongest support yet for putting labor unions under the antitrust laws. Mr. Ives is ranking G.O.P. member of the Special Senate Investigating Committee as well as the Senate Labor Committee.

The lawmaker, in a television program over upstate New York stations, said he was all in favor of the A.F.L.-C.I.O. merger but added, "Jimmy Hoffa's proposing, however, something else. He's proposing all the transportation business in the country, including the Teamsters, the railroads, those in the airplane business, the shipping business—including the dockers—and everybody else; the all one-great union."

"A strike of that nature in the U. S. covering all that area would completely paralyze the country. It would amount to a general strike in the U. S. and I think that Mr. Hoffa and his associates have demonstrated that they are too irresponsible to be heading any such organization as that.

Senator Suggests Legislation

"I am wondering," Sen. Ives commented, "if we aren't going to have some kind of legislation to put labor organizations under the antitrust laws." Mr. Ives has frequently mentioned the difficulties of framing a fair law to bring unions under antitrust statutes, and he did so again yesterday. But his statement was just about the strongest he has yet made on the topic.

Mr. Ives also predicted the Senate Labor Committee will approve, before Congress quits, a bill providing for tighter Federal control over employe welfare and pension funds. But Senate action on such a measure is highly unlikely. And in any case, no House action will come until 1958.

Mr. Hoffa, who has said he will talk freely to the Senate Committee, will be preceded on the stand today by Vice-President Einar Mohn, assistant to Teamster President Dave Beck. Witnesses have claimed Mr. Mohn issued the charters for the phony locals at the request of Mr. Hoffa.

The locals were used in an attempt to swing an election for the president of the big Teamster Joint Council in New York to a Hoffa associate, John O'Rourke. Control of the joint council, the committee has said, gives the Hoffa forces control of trucking in the New York area and over much of the East Coast.

Mr. O'Rourke got the most votes but lost the election after a court fight by Martin Lacey, who was then president of the joint council. Mr. Lacey later withdrew and Mr. O'Rourke is now president. But before the committee, Mr. O'Rourke invoked the Fifth Amendment to all questions about the phony locals and their part in the election.

Last week Mr. Lacey said Mr. Mohn was the one who issued the charters. He said the Beck aide told him the action was taken without consulting Mr. Lacey because speed was necessary to get the locals from the old A.F.L. United Auto Workers transferred in time to beat the A.F.L.-C.I.O. merger. The U.A.W.-A.F.L. union is now the Allied Industrial Workers.

Mr. Lacey Charges Fraud

Mr. Lacey charged there was "fraud and major conspiracy" involved in the deal.

Mr. Mohn refused to talk earlier before Mr. McClellan's old Permanent Investigating subcommittee and is facing trial on contempt charges as a result. But he is expected to talk freely—in contrast to a succession of Teamster witnesses who have invoked the Fifth Amendment.

Teamster Vice President Tom Hickey, who is the only announced candidate in opposition to Mr. Hoffa's bid for the presidency, told the committee Friday that Mr. Hoffa was the man who originally had the idea of setting up the phony locals. He also testified that Mr. Hoffa once tried to get convicted extortionist Johnny Dio a charter in the Teamster Union. At the time, Dio was a power in the U.A.W.-A.F.L. and allegedly a close friend of Mr. Hoffa. Many of Dio's henchmen ended up as officers in the phanton Teamster locals, the committee claims.

The charter to Dio was blocked by the protest of George Meany, then president of the A.F.L.

July Dividend Payments Rose

WASHINGTON—Corporations issuing public reports paid out $764 million in dividends in July, $32 million more than a year earlier, the Commerce Department reported.

Payments of $6.3 billion in the first seven months of this year topped the 1956 period by 3½%, the report showed. It said over two-thirds of the increase occurred in manufacturing, where dividends over-all rose 5%.

All non-manufacturing groups except trade increased payments over last year, the department reported, with dividends in the electric and gas utilities rising faster than the all-company average.

Natural Gas Pipeline Co.

WASHINGTON—Natural Gas Pipeline Co. of America, Chicago, again asked the Federal Power Commission for a $6,500,000, or 6.8%, annual increase in wholesale natural gas rates.

The increase was first proposed in July, but was rejected by the F.P.C. after a rate boost sought earlier by the company went into effect, subject to refund.

REVIEW *and* OUTLOOK

Facing the Enemy

We commend to your thoughtful reading the testimony of Federal Reserve Chairman Martin which we publish today on this page.

In his quiet way Mr. Martin does a beautiful job of demolishing some of the more fanciful notions about the cause and cure of inflation and returns the current debate over inflation to an area of fruitful discussion.

Much mental effort has lately been spent by others, some of it quite ingenious, to prove that the present inflation is somehow basically different from all others. One man, for instance, says it's all due to rising wages; another to rising prices. A Senator blames the inflation on higher interest rates. To some witnesses the villain is the public which has sent the velocity of money swirling. An economist lumps these factors together in a neat phrase; what we have is a "cost push" inflation.

And now over the weekend Walter Reuther comes along with his proposal that the auto-makers cut prices on their 1958 models; if they do, he says he will take that fact into consideration in drafting his union's demands on them. This neatly puts the blame for inflation on industry; Mr. Reuther specifically absolves his union from any responsibility even though labor is far and away the biggest cost in building a car. More importantly, it confuses an effect of inflation—rising prices—for its primary cause.

All these different ideas have one thing in common. Whatever the whipping boy chosen, he takes the onus off money and fiscal policy. There's no need to attach any blame to past or present Government actions in spending money or inflating the money supply. In fact, one might almost suppose that inflation has ceased to be a monetary phenomenon.

And, if accepted, these ideas lead to one common result. They rationalize away the necessity for treating inflation with monetary measures, for if we are persuaded these have nothing to do with the case, then why shouldn't the Government go right ahead with happy spending practices and easy money policies?

Mr. Martin's service is that he reminds us not to be blinded by any such distractions.

As you can see, he cuts through these comfortable over-simplifications and, as often happens in such cases, lets the main issue show in stark simplicity. Wages, prices, interest rates, public attitudes toward inflation—all these, he recognizes, are factors in any inflationary spiral. That, in fact, is precisely why they make such plausible distractions.

But they are, as he shows quite clearly, first of all reflections of inflation and, later, reactions that intensify the spiral of inflation. The base of the spiral remains a monetary phenomenon and there is where it must be attacked.

There are, to be sure, some other rationalizers who tell us that there is nothing to worry about anyway in a steady inflation so long as it is small. Mr. Martin is not beguiled by this happy notion either. We are halving the value of our dollar in each generation at the present rate of a "little" inflation.

It's high time somebody bluntly said that a dollar halved and halved again can end in only one place.

How To Effectuate a Predicate

We see that Miss Kay Pearson is making some progress in her efforts to degobbledygookize Government letter writing.

Miss Pearson teaches a course in Washington especially for Federal toilers. She tries to get them to forego monstrosities like this in their letters: "The committee cautioned against any failure to fully capitalize on the accelerated procedures for examining and inducting graduates of colleges and other higher institutions of learning into the Federal service."

She suggests they write instead: "The committee urged direct recruiting of college graduates for Federal service." She also has a horror of pomposities like "effectuate," "expedite," "facilitate" and "predicated on the assumption."

All this is not merely in the interest of preserving the English language. Shorter and clearer letters, it's figured, can save a pretty penny—maybe $75 million a year.

While tendering our endorsement of Miss Pearson's endeavors, we have a further suggestion that might effectuate the expedition of her task while at the same time accomplishing the augmentation of some additional facilitation of our pocketbooks. Effectuating a reduction in the number of Federal agencies would facilitate a reduction in the requisite number of Government epistles.

This, of course, is predicated on the assumption that the Government would cease capitalizing on those accelerated procedures for examining and inducting people onto the Federal personnel rosters.

Inevitable Reaction

The House cuts in foreign aid reflect something more than a revulsion against interminable global handouts. We suspect they reflect an inevitable weariness among the people with this country's involvement in every corner of the world.

Foreign aid is the focus of this feeling, to be sure, because it is tangible. But consider the kind of plea President Eisenhower made and the House ignored; the President spoke of our "investment" in the casualties of Korea. It was perhaps an unfortunate choice of words, because it calls to mind all the frustrations of our international experiences since 1941.

We defeated Germany and Japan only to make possible the consolidation of Soviet Russia and Red China into a far worse menace. That can scarcely be described as progress. We fought in Korea to no decision only to be confronted by the prospect of fighting in Indo-China and the Strait of Formosa. These dangers eased only to give way to commitments to fight in the Middle East.

Every development only gets us in wider and deeper. Meantime the billions have been pouring out without enhancing our prestige but, instead, encouraging the view abroad that we must be either suckers or imperialists.

One of the minor irritations in all this is that we are supposed to take everything so seriously. The most ridiculous antics of any pipsqueak nation can't be laughed at; "vital interests" are at stake. Even the Gilbert-and-Sullivan campaign against the Imam of Oman must be viewed solemnly because of its portentous potentialities.

It is a pity to have to lose our sense of humor about what is, after all, very often a very funny world. But there is nothing funny at all about the possibility of being plunged into war, idiotic or otherwise, anywhere at any time for no better reason than that we are up to our necks everywhere.

The surprising thing is not that Americans are getting fed up but that they have been so patient so long. The surprising thing is not that the President's foreign aid pleas fall on deaf ears but that Congress has not long since ended the program.

The American people probably aren't going "isolationist" in the sense of cutting all commitments. But their weariness is understandable. And it might be a mistake for this or any other Administration to assume that they will be indefinitely content with letting any nation that chooses lead them by the nose.

PEPPER....*and Salt*

And Plenty Of It!

Tourists on vacation need
Only these two things indeed,
Days that are all fair and sunny,
And money, money, money!
—Esther J. Judkins.

How to Win at Ping-Pong

The first rule of successful ping-pong is the careful choice of opponents. Old ladies are a pretty safe bet, but old ladies with a short reach are even better. If you feel you must play against men, try to find chaps who have just had their eyes dilated at the oculist's.

Another cardinal principle is never to play any place except on your own table in your own basement. Not only is a favorable gallery important during an exciting rally, but you can also benefit by certain physical adjustments. These include (1) having the overhead light tilted just a bit so as to shine in your opponent's eyes; (2) painting the wall behind you a blinding white, and (3) placing the table in such a way that your adversary bangs his head on the water pipes if he straightens up for a kill shot.

I don't want to seem immodest, but I've been beaten only once on my home table. The fellow who defeated me said he'd been at the oculist's that very afternoon, but I learned later he had gone there merely to buy a new glasses case. It was, to put it bluntly, an unsportsmanlike thing to do.—Dick Emmons.

"Monday and it's only 9:30. Boy, is this week dragging."

The Deadly Enemy

Inflation Can't Be Appeased, Martin Warns; It Must Be Killed

This article is an abridged version of the statement made by William McChesney Martin, Jr., Chairman of the Board of Governors of the Federal Reserve System, before the Senate Finance Committee last week.

Our country has been experiencing a period of unusual prosperity, featured by heavy spending, both Governmental and private. As a nation, we have been trying to spend more than we earn through production, and to invest at a rate faster than we save. The resulting demands, strong and incessant, have pressed hard upon our resources, both human and material. In consequence, prices have been rising, and the purchasing power of the dollar has been falling.

We are not facing a new, or insoluble problem—it is as old as the invention of money—and history is marked with both defeats and triumphs in dealing with this invisible but deadly enemy of inflation. The question is not whether we can solve the problem, but how best to deal with it under our form of Government and free enterprise institutions. Solve it we can—and must.

There is much current discussion of the origin of inflationary pressures. Some believe they reflect a recurrence of demand-pulls, similar to those present in the earlier postwar period. Others believe they originate in a cost-push engendered by administered pricing policies and wage agreements that violate the limits of tolerance set by advances in productivity.

These distinctions present an oversimplification of the problem. Inflation is a process in which rising costs and prices mutually interact upon each other over time with a spiral effect. Inflation always has the attributes, therefore, of a cost-push. At the same time, demand must always be sufficient to keep the spiral moving. Otherwise the marking up of prices in one sector of the economy would be offset by a reduction of prices in other sectors.

There is much to be said for the view that contractual or other arrangements designed as shelters or hedges from inflation have the effect of quickening its tempo. The 5% rise in the cost of living which we have experienced over the last two years has probably reflected and been reflected in more rapidly rising wage costs because of the prevalence of cost of living clauses in many modern wage contracts. Cost plus contracts tend to have the same quickening effect on the inflationary spiral.

The spiral is also, however, a demand spiral. At each point of time in the development of the inflationary spiral, there must be sufficient demand to take the higher-priced goods off the market and thus keep the process moving.

Seeming Paradox

The workings of the spiral of inflation are illustrated by the economy of the moment. We are now faced with the seeming paradox that prices are expected to continue to rise, even though the specific bottlenecks in capacity that impeded the growth of production in 1956 have now been largely relieved, and investment in productive facilities continues at very high levels. Houses, automobiles, household appliances, and other consumer goods, as well as most basic materials, are all readily available—at a price. The problem is no longer one of specific shortages or bottlenecks causing prices of individual commodities to be bid up because of limited availability but rather it is one of broad general pressure on all of our resources.

Taking the situation as a whole, as individuals, corporations, and governments proceed with their expenditure plans, buttressed by borrowed funds, they are in the position of attempting to bid the basic factors of production—land, labor and capital—away from each other and in the process the general level of costs and prices is inevitably pushed upward.

Recently, this general pressure has been expressing itself particularly in rising prices for services as compared with goods. Despite the existence in some lines of reduced employment and slack demand, many employers now face rising costs when they seek to expand activity by adding appreciably to the number employed. As a result, many current plans for further expansion of capacity place great emphasis on more efficient, more productive equipment rather than on more manpower.

This generalized pressure on resources comes to a head in financial markets in the form of a shortage of saving in relation to the demand for funds. A considerable volume of expenditure is financed at all times out of borrowed funds. When these funds are borrowed from others who have curtailed their own expenditures, no additional demand for resources is generated. On balance, however, demands for funds by those who have wanted to borrow money to spend in excess of their current incomes have outrun savings. Those who have saved by limiting their current expenditures, and thus made funds available for lending, have still not kept pace with the desire of governments, businesses, and individuals to borrow in order to spend.

Just as an intense general pressure on available resources manifests itself in rising wages and prices, a deficiency of savings relative to the demand for borrowed money manifests itself in an increase in the price of credit. In such circumstances, interest rates are bound to rise.

In summary, whatever the special features of the current inflation, the important fact is that it is here, and that it has created demands for borrowed funds in excess of financial savings, even though these have grown appreciably. Any attempt to substitute newly created bank money for this deficiency in savings can only aggravate the problem and make matters worse.

Increased Turnover

The response to higher interest rates is complex. One result is that some would-be borrowers draw on cash balances to finance projected expenditures or lenders draw on their balances to lend at the higher rates, thus reducing their liquidity and increasing the turnover of the existing money supply. In recent years, with the large volume of Federal Government securities outstanding, many holders of these securities—both institutions and individuals—have liquidated their holdings in order to shift funds to other uses. This has been an important influence in bringing about the decline in bond prices.

Another result of higher interest costs, together with greater difficulty in obtaining loans, is that many potential borrowers revise or postpone their borrowing plans. To the extent that expenditures are revised or deferred, inflationary pressures are reduced.

The most constructive result is the encouragement of a volume of savings and investment that permits continued expansion of productive facilities at a rate consistent with growing consumption demands. Only in this way can the standard of living for a growing population be improved and the value of savings be maintained.

Such constructive adaptations, if made in time at the onset of inflationary pressures, need not be large in order to restore balance between prospective demands and the resources available to meet them. It is essential, however, that the adjustment be made. Otherwise prospective expenditures will continue to exceed the resources available and the pressure of excess demand will foster an inflationary spiral.

Feeding On Itself

Once such a spiral is set in motion it has a strong tendency to feed upon itself. If prices generally are expected to rise, incentives to save and to lend are diminished and incentives to borrow and to spend are increased. Consumers who would normally be savers are encouraged to postpone saving and, instead, purchase goods of which they are not in immediate need. Businessmen, likewise, are encouraged to anticipate growth requirements for new plant and equipment. Thus, spending is increased on both counts. But, because the economy is already operating at high levels, further increases in spending are not matched by corresponding increases in production. Instead, the increased spending for goods and services tends to develop a spiral of mounting prices, wages, and costs.

One of the baneful effects of inflation stems from the expectation of inflation. While a price increase, in itself, may cause serious dislocations and inequities, other and more serious effects occur if the price rise brings with it an expectation of still other increases. Expectations clearly have a great influence on economic and financial decisions. In fact, decisions to spend or to invest too much in a given time are a direct cause of inflation.

The unwarranted assumption that "creeping inflation" is inevitable deserves comment. This term has been used by various writers to mean a gradual rise in prices which, they suggest, could be held to a moderate rate, averaging perhaps 2% a year. The idea of prices rising 2% in a year may not seem too startling—in fact, during the past year, average prices have increased by more than 2%—but this concept of creeping inflation implies that a price rise of this kind would be expected to continue indefinitely.

Such a prospect would work incalculable hardship. If monetary policy were directed with a view to permitting this kind of inflation—even if it were possible to control it so that prices rose no faster than 2% a year—the price level would double every 35 years and the value of the dollar would be cut in half each generation. Losses would thus be inflicted upon millions of people, pensioners, Government employes, all who have fixed incomes, including people who have part of their assets in savings accounts and long-term bonds, and other assets of fixed dollar value. The heaviest losers would be those unable to protect themselves by escalator clauses or other offsets against prices that were steadily creeping up.

Moreover, the expectation of inflation would react on the composition of savings. A large part of the savings of the country is mobilized in savings deposits and similar claims that call for some stated amount of dollars. If people generally come to feel that inflation is inevitable, they will not save in this form unless they are paid a much higher interest premium to compensate them for the depreciation of their saved dollars.

It is for this reason that it is impossible, in a period of demand in excess of savings, to maintain lower interest rates through a policy of "easy" credit. If fears of inflation cause people to spend more of their income and save less, the result could only be more rapid inflation and still less saving in relation to income.

Impairing Efficiency

An inflationary psychology also impairs the efficiency of productive enterprise—through which our standard of living has made unparalleled strides. In countries that have had rapid or runaway inflations, this process has become so painfully obvious that no doubt remained as to what was happening to productivity. In the making of decisions on whether or not to increase inventory, or make a capital investment, or engage in some other business operation, the question of whether the operation would increase the profit from inflation became far more important than whether the proposed venture would enable the firm to sell more goods or to produce them at lower cost. The incentive to strive for efficiency no longer governed business decisions.

Inflation does not simply take something away from one group of our population and give it to another group. Universally, the standard of living is hurt, and countless people injured, not only those who are dependent on annuities or pensions, or whose savings are in the form of bonds or life insurance contracts. The great majority of those who operate their own businesses or farms, or own common stocks or real estate, or even those who have cost of living agreements whereby their wages will be raised, cannot escape the effects of speculative influences that accompany inflation and impair reliance upon business judgments and competitive efficiency.

Finally, in addition to these economic effects, we should not overlook the way that inflation could damage our social and political structure. Money would no longer serve as a standard of value for long-term savings. Consequently, those who would turn out to have savings in their old age would tend to be the slick and clever rather than the hard-working and thrifty. Fundamental faith in the fairness of our institutions and our Government would deteriorate. The underlying strength of our country and of our political institutions rests upon faith in the fairness of these institutions, in the fact that productive effort and hard work will earn an appropriate economic reward. That faith cannot be maintained in the face of continuing, chronic inflation.

There is no validity whatever in the idea that any inflation, once accepted, can be confined to moderate proportions. Once the assumption is made that a gradual increase in prices is to be expected, and this assumption becomes a part of everybody's expectations, keeping a rising price level under control becomes incomparably more difficult than the problem of maintaining stability when that is the clearly expressed goal of public policy. Creeping inflation is neither a rational nor a realistic alternative to stability of the general price level.

It has been suggested, from time to time, that the Federal Reserve System could relieve current pressures in money and capital markets without, at the same time, contributing to inflationary pressures. These suggestions usually involve Federal Reserve support of the United States Government securities market through one form or another of pegging operations.

There is no way for the Federal Reserve system to peg the price of Government bonds at any given level unless it stands ready to buy all of the bonds offered to it at that price. This process inevitably provides additional funds for the banking system, permits the expansion of loans and investments and a comparable increase in the money supply—a process sometimes referred to as monetization of the public debt. In the present circumstances the Reserve System could not peg the Government securities market without, at the same time, igniting explosive inflationary fuel.

Cause and Effect

We must be clear in viewing these relationships to distinguish cause from effect and not to confuse them. It is sometimes said that rising interest rates, by increasing the costs of doing business, lead to higher prices and thus contribute to inflation. This view is based upon an inadequate conception of the role of interest rates in the economy, and upon a mistaken idea of how interest costs compare with total costs. In municipal government budgets, it is about 2%; in many utilities, it is 3% to 5%.

Thus, as an element of cost, interest rates are relatively small. But as a reflection of demand pressures in markets for funds, interest rates are highly sensitive. Rising interest rates result primarily from an excess of borrowing demands over the available supply of savings. Since these demands are stimulated by inflation, under these circumstances rising interest rates are an effect of inflationary pressures, not a cause. Any attempt to prevent such a rise by creating new money would lead to a much more rapid rise in prices and in costs than would result from any likely increase in interest rates.

A major cause of recent inflationary pressures has been the attempt to crowd into this period a volume of investment greater than the economy could take without curtailing consumption more than consumers have been willing to do. In fact, there has been some increase in consumption on borrowed funds.

Increases in interest rates naturally come about under such conditions; they are the economy's means of protecting itself against such excessive bunching of investment or the building up of an unsustainable rate of consumption.

While the effect of a moderate change in interest rates on the cost of goods currently being produced and sold is small and relatively unimportant, changes in interest rates do assume importance as a cost in the planning of new investment outlays. These costs do not affect current operations or add to upward price pressures to any substantial extent. They do tend to deter the undertaking of new investment projects and to keep the amount of investment spending that is being undertaken in line with the economy's ability to produce investment goods.

To maintain artificially low interest rates under these conditions, without introducing any other force to restrain investment, would be to invite an unbridled investment boom, inflation, and an inevitable collapse later.

It is necessary to emphasize that there are many influences, other than monetary policies and interest rates, that affect the volume of consumption, investment, and saving and their relationships. Monetary policies operate directly through the volume of bank credit and bank-created money. The volume of current saving out of income and the uses made of new and outstanding savings have a more important bearing upon the availability of investment funds than bank credit.

Costly Interference

Interest rates, therefore, are influenced by the relationship between investment demands and the availability of savings, independently of monetary policies. Interference with these relationships through monetary policies, in fact, may prevent necessary and healthy adjustments that help to maintain equilibrium in economic growth.

How, then, may further inflation be restrained?

Bluntly, the answer is to be found in a moderation of spending, both Governmental and private, until the demands for funds are balanced by savings. This prudence must be coupled with sound fiscal policy, which means a larger budget surplus as well as effective monetary policy to restrain the growth of bank credit.

Experience over the centuries has demonstrated that there is no tolerable alternative to adequate fiscal and monetary policies, operating in an environment of open, competitive markets under our system of human freedoms. Neither an economic dictatorship nor complacent acceptance of creeping inflation is a rational or tolerable way of life for the American people.

Letters *To the* Editor

Montana Isn't Glowing

Editor, The Wall Street Journal:

My attention has been called to an article appearing in the July 23 Wall Street Journal. This article describes Montana in the following glowing terms:

"Ranch life still can be lonely—neighbors often are miles away—but the modern 'ranch' houses remind one of suburban homes. Tall television aerials dominate roof lines. Inside kitchens gleam with appliances and bathrooms are bright with tile. Cadillacs are numerous and expensive pleasure boats dot the ranch country's lakes and reservoirs. In the summer, ranch wives gossip of last winter's vacation in Bermuda, Hawaii, Mexico, California or Arizona."

Unemployment in Montana is three times greater than it was five years ago. Two thousand miners have been laid off in the Butte-Anaconda area during the past 90 days. Unemployment in the Billings area is up 275% over last year. A coal mine at Roundup closed last month, throwing 52 miners and five railroaders out of work. The Diamond Match Company at Superior laid off a 40-man shift. This will mean a shorter season for some 60 men whom the company employs in the woods. The Anaconda Company's Bonner Lumber Mill laid off a shift about a week ago. Sixty-seven mill workers and 10 of the woods crew were affected. The Anaconda Aluminum Company plant at Columbia Falls laid off 60 men. As for the farmers and ranchers, they must sell seven more calves at today's prices to buy the same combine which cost $200 less five years ago when the price of beef was eight and one-half cents higher.

I suggest that you remove those rose colored glasses from your reporter and send him back to Montana to report the facts.

JAMES E. MURRAY
United States Senate

Washington, D. C.

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In Defense of "Liberals"

Editor, The Wall Street Journal:

I was disappointed in your editorial entitled "An Anchor for Liberals" (Aug. 7). I was particularly saddened to see you frown on aid to schools, medical care and city improvement. Surely what you call "collectivism" is only an attempt to help more people have a good life. I fail to understand the justice in a standard of judgment which measures the value of a thing by how much wealth someone may gain from it. Let's stop beating around the bush and admit that the basic desire behind the interest in curtailing government responsibility is just plain old selfishness. A selfishness which manifests itself not only in opposing all attempts to provide education and health to all at a price they can afford but also frowns on any attempt to relieve inimical social conditions as "communistic."

The "free individual" which Mr. Schlesinger wrote of was not the rampaging economic monster of the 19th Century, as you seemed to think, but is a man free from social and economic repression. It is upon free men of this type that strong societies are built. If the wealthy classes of America would be honest with themselves and stop pretending to believe that all men can rise to where they are, and instead accept their social responsibilities with an unselfish and realistic attitude, this country will truly be worthy of its position as leader of the free world.

NEAL C. GILLESPIE

Atlanta, Ga.

• • •

The Trouble's Synthesis

Editor, The Wall Street Journal:

Georg Wilhelm Friedrich Hegel, the German philosopher, believed that the universe takes two opposites—a "thesis" and an "antithesis"—and with time and coexistence evolves a new form—the "synthesis"—which having neither of the characteristics of the two original forms, nevertheless possesses features of both.

Your editorial "Billions for Secrecy" (Aug. 6) emphasizes in but another facet how essentially correct Hegel was. Presently we are witnessing the gradual evolution of two political opposites into a synthesis. It is inevitable that the United States will adapt various features of Russia's political and social characteristics so long as the influence of both countries remains in effect. Stupid rules of secrecy based upon fear and distrust are but the latest to be recognized. Rearmament, enlarged defense budgets, exaggerated notions of social equality (civil rights, union power), improved propaganda techniques, press restrictions and censorship are but a few of the typical Communistic traits which we used to get along fairly well without. Other effects such as recent Supreme Court rulings, growth of government influence, even cultural emphasis, may also be cited as modifications of Communist ideology.

Of course Russia and the Communist countries are also changing—and we might hope their adjustment is even more severe. Without war the synthesis will eventually be effected. But we have seen the end of the United States as it once was. Evolution, which we re-name "progress," has seen to that.

C. E. KAEMPEN.

Seal Beach, Calif.

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Who's News

Personnel Notes—Management—

A. Phillip Goldsmith Resigns as President Of Kayser, Sells Stock

By a WALL STREET JOURNAL Staff Reporter

NEW YORK — A. Philip Goldsmith said yesterday he has resigned as president of Julius Kayser & Co. and sold his stock in the company for about $1,500,000 in cash.

Mr. Goldsmith said he had no comment "at the moment" on his reasons for leaving Kayser or whether any other management changes are slated.

His holdings in the New York manufacturer of hosiery, lingerie, bathing suits, gloves and other cotton and knit goods amounted to "over 100,000 shares." Kayser's common stock closed at 13 Friday on the New York Stock Exchange, unchanged on the day. There are about 765,000 shares outstanding.

Mr. Goldsmith bought control of Kayser a little over three years ago, bringing into management with him Abraham Feinberg, chairman, and the late Benjamin Hinerfeld, who served as executive vice president.

Among Kayser's wholly-owned subsidaries are Diamond Hosiery Corp., Diamond Glove Corp., Julius Kayser & Co., Del., Julius Kayser & Co., Ltd., Canada, and Belton Hosiery Mills.

Commerce and Industry

Raymond Corp. (Greene, N. Y.)—Philip H. Gerner of Rochester, N. Y., was elected a director of this maker of electrical industrial trucks and other material handling equipment.

United Fruit Co. (New York)—Louis S. Sisto, comptroller, was appointed a vice president.

Buckeye Corp. (Springfield, Ohio)—Irving Brawer and G. A. Hovath, both of New York City, were named directors of this manufacturer of automatic poultry breeding and feeding equipment.

Western Air Lines (Los Angeles)—W. H. Gonyea, Oregon lumber, mining and investment executive, has been elected a director.

Sun Chemical Corp. (Long Island City, N. Y.)—Julius E. Spector has been elected a vice president.

Caines Steel Co. (Chicago)—William S. Harms and Graham Marks have been appointed directors.

Upson Co. (Lockport, N. Y.)—Ira G. Ross, director and executive vice president of Cornell Aeronautical Laboratory, Inc., has been named a director of this manufacturer of laminated wood fibre products and chemicals.

Union Bag-Camp Paper Co. (New York)—Walter Shorter was named vice president and general sales manager.

Florida Power Corp. (St. Petersburg, Fla.)—George F. Foley, vice president, has also been elected secretary and treasurer of the utility and a director. He succeeds E. K. IlgenFritz who will continue as financial consultant.

Leo Burnett Co., Inc. (New York)—Jack Kopp has been named vice president of this advertising agency.

KFSD, Inc. (San Diego, Calif.)—Three executives of Newsweek magazine have been elected directors of this broadcasting company, which operates NBC-affiliated television, AM and FM stations. They are Theodore F. Mueller, vice president and publisher of Newsweek; Borden R. Putnam, vice president, treasurer and director of the magazine's international editions, and Hoyt Ammidon, a director. Newsweek is published by Weekly Publications, Inc., which recently purchased a substantial minority interest in KFSD.

Grant Advertising, Inc. (Detroit)—Robert C. Mack has been appointed vice president in charge of television and radio for the Detroit office of this advertising agency.

American Home Products Corp. (New York)—Eugene A. Lesher has been elected vice president in charge of national sales for Boyle-Midway, Inc., a subsidiary which manufactures household and personal products.

Fyr-Fyter Co. (Dayton, Ohio)—David McGilvray, A. C. Trautwein, Charles H. Somers and James J. Dunleavy were elected senior vice presidents of this maker of fire extinguishers, brass goods and fire department supplies.

Perfect Circle Corp. (Hagerstown, Ind.)—G. R. Baer, assistant to the president, was named general manufacturing manager for this castings, machining and manufacturing concern.

Cargill, Inc. (Minneapolis)—F. J. Hays and Lewis L. Crosby, president and executive vice president, respectively, of Cargo Carriers, Inc., transportation subsidiary of this grain concern, were elected chairman and president of the subsidiary.

Cochrane Corp. (Philadelphia)—Joseph R. Denton was named vice president-New York district sales for this manufacturer of water conditioning and steam power equipment.

Slick Airways, Inc. (Burbank, Calif.)—John E. Parker, director of National Savings & Trust Co., Washington, D. C., was appointed chairman of the finance committee of this air freight carrier.

Norfolk & Portsmouth Belt Line Railway (Norfolk, Va.)—F. E. Derickson was named president, succeeding the late H. L. White.

Southern Nitrogen Co., Inc. (Savannah, Ga.)—M. G. Woodward was elected a vice president.

Finance

Valley Stream, N. Y., National Bank & Trust Co.—W. Kenneth Regan was elected executive vice president.

National Bank of Westchester (White Plains, N. Y.)—Roland W. Mahood was appointed vice president and investment officer.

Pacific Indemnity Co. (Los Angeles)—C. R. Herda has been named to the new post of executive vice president of this insurance company.

Associates Investment Co. (South Bend, Ind.)—William L. Acker has been elected vice president in charge of the commercial loan division.

Central Savings Bank (New York)—Charles T. Maurer has been appointed assistant vice president and manager of the bank's downtown office to fill the vacancy caused by the retirement of Carl Cordes.

First National Bank of Miami—J. M. Palframan, formerly vice president of Peoples First National Bank & Trust Co. in Pittsburgh, Pa., has joined the Florida bank as vice president in the commercial loan division.

Crown Central Petroleum

CROWN CENTRAL PETROLEUM CORP. and subsidiaries consolidated report for six months ended June 30:

	1957	1956
Gross operating income	$32,242,262	$28,886,354
Net income after taxes	393,785	439,599

Price Tags

Royal McBee to Boost Its Typewriter Prices 5.7% to 5.9% September 1

NEW YORK—Royal McBee Corp. announced that effective September 1 it would boost the price on its standard office model and portable typewriters 5.7% to 5.9%.

H. C. Davis, vice president marketing, said the standards would be increased $12.50, to $225. The exact increase in portable prices was not disclosed.

Mr. Davis credited "continuing increases in costs" for the typewriter price hike.

In July, 1956, Royal's increase to its present price on office typewriters of $212.50 from $192.50 was followed by other major typewriter manufacturers.

H. A. Hicks, vice president sales of the Remington Rand Division of Sperry Rand Corp., said his company had made no decision on a price increase.

"However," he noted, "we are not immune from the effects of increased labor, shipping and material costs and prices have not kept up with these increases."

Smith-Corona, Inc. had "no comment" on the possibility of a price increase.

Dobeckmun Hikes Aluminum Foil Packaging Materials

CLEVELAND—Price increases of from 3% to 5% in aluminum foil packaging materials, effective August 19, were announced by Dobeckmun Co.

The aluminum foil packaging materials affected by the price boost include aluminum foil laminated to plastic films and to paper.

"The new prices are the direct result of the recent increases in the cost of aluminum foil, and other base materials, as well as freight and other factors," W. W. Clark, manager of the company's packaging division, said.

Fibre Pipe Prices Raised

BERLIN, N. H.—Effective immediately Brown Co.'s Bermico division has raised by 5% prices of its bitumized fibre pipe and fittings for sewerage, septic tank disposal and electrical conduit. The increase, the company said, is due to increased cost of labor and transportation.

New Gillette Unit to Enter Proprietary Drug Field

BOSTON—Gillette Co. plans to enter the proprietary drug field, it was announced by Carl J. Gilbert, president.

The company has created a new division called Gillette Laboratories and expects to test-market a new cough remedy soon.

It has not been determined finally what product or products will be marketed by Gillette Laboratories, but it is not intended to become a long-line pharmaceutical house, Mr. Gilbert said. The policy will be to concentrate on the development and distribution of a limited number of proprietary drug items, he said.

Mr. Gilbert also said, "It is clear that the new division will not contribute significantly to the net earnings of the company for some time to come. We are confident, however, that the prospect is one well worth exploring."

Pfaudler and Permutit To Vote September 16 On Proposal to Merge

By a WALL STREET JOURNAL *Staff Reporter*

ROCHESTER—Special stockholder meetings of Pfaudler Co. and Permutit Co., Inc., have been called on September 16 to vote on a proposal to merge the two companies under the name Pfaudler Permutit Inc.

Under the management-sponsored agreement, holders of the 249,242 shares of Pfaudler common stock would receive 1.429 shares of the new company for each Pfaudler share held, while holders of the 220,000 shares of Permutit common would exchange their holdings on a one-for-one basis. Pfaudler already owns about 25% of Permutit common—which it purchased from Ward Industries Corp. on July 8—and has announced its intention of voting these shares in favor of the consolidation.

Directors of both companies approved the merger plans last month, under which the 12 Pfaudler directors and five Permutit directors will combine to form the new board. The Permutit meeting will be held in New York, while the Pfaudler meeting is scheduled for this city, which would be the headquarters of the new corporation.

The record date for the meeting was set by both companies as August 14.

Upon the consolidation, Henry W. Foulds, chairman of Permutit, will become chairman of Pfaudler Permutit and Mercer Brugler, Pfaudler president, will be president and chief executive officer.

Pfaudler — a manufacturer of glass-lined steel tanks and machinery—earned $1,060,635 on sales of $22,039,012 in the fiscal year ended May 31. Permutit—which makes water-treating equipment and specialty chemicals used in such treatment—reported a profit of $343,592 on a volume of $13,909,810 in 1956.

Chain Stores' Volume In July Increased 9.7% Above '56, Survey Finds

Arrival of Hot Weather, One More Shopping Day Helped Lift Sales, Trade Spokesmen Say

By a WALL STREET JOURNAL *Staff Reporter*

NEW YORK—The arrival of hot weather in July took most of the credit for increasing retail chain store sales 9.7% above the like month last year, according to a Wall Street Journal survey of 48 concerns. One more shopping day this July than last helped lift sales, according to a number of retailers.

Sales for the first seven months of this year were 5.9% higher than for the like period of 1956.

Above average increases for July were posted by four of the ten retail categories. These include mail order houses, women's wear stores, hard goods-auto supply stores and drug stores.

A spokesman at Sears, Roebuck & Co. said sales, especially in soft goods, picked up "substantially" in July because "summer really didn't arrive until then."

Industry sources also credit the July "arrival" of summer with boosting sales in women's wear shops. Of the seven such stores included in this survey, only one showed a lower percentage of sales increase for the month than for the seven months of this year.

The effect of the "late" summer this year is also indicated by the fact that of 46 chain and mail order stores surveyed in June, 18 showed sales running behind that month in 1956. In the July survey only five of 48 such companies show July sales behind those of July last year.

Sometimes companies are hard put to explain why sales have gone up. Says an officer of Gamble-Skogmo, Inc., Midwest auto supply dealers, "If we knew (what increased sales), we'd do more of what made it happen."

And since Gamble-Skogmo has opened no new stores recently, it is without at least one reason cited by other retailers. S. S. Kresge Co. said that much of its sales increase has come from the addition of 16 new stores and the modernization of others. A J. J. Newberry Co. vice-president said higher dollar volume in sales has come "because we've been doing a lot of upgrading and opened several new stores; it's as simple as that."

Joseph B. Hall, president of Kroger Co., said sales of the company's grocery stores have increased because of the "continued high consumer spendable income, of which we're getting our share." He noted that Kroger's building program has been continuing "on schedule" with 57 new stores being opened during the first 28 weeks of this year.

An officer of Walgreen Co. attributed the company's sales increase to "some new and enlarged stores and a swing over to self-service, which always tends to boost volume." He explained that about 130 of Walgreen's 407 drug stores are now "at least in part" self-service compared with 88 a year ago.

Although the break in the prolonged drought in the Southwest was cited as one reason for improved sales by some retailers such as J. C. Penney Co., Inc., and Sears, most stores have found sales in that area are running about average or slightly below overall company sales.

"There has been no noticeable boost (in sales) from the end of the drought," said a spokesman of Kresge. Another variety chain, S. H. Kress & Co., which has about 20% of its stores in Texas and Oklahoma was the only one of 12 variety chains surveyed that showed a decline for both July and the seven months of this year.

Walgreen's, in common with other retailers, noted that sales increases are "no longer of the boom volume variety. Consumers are quite price-conscious and any sales gain means very definitely competitive volume."

The sales volume of the 48 companies surveyed last month totaled $1,175,028,160, up from $1,071,456,511 in July, 1956. Sales for the first seven months rose to $8,741,797,643 from $8,252,993,404 in the like period a year ago.

The sharpest decline of any category was in furniture, represented by Sterchi Brothers Stores, Inc., with a 6.2% drop for the month and a 0.7% decline for the first seven months of this year. But such general retailers as Macy and Gimbel noted that furniture has been fighting with household appliances for low spot on the retailers' totem pole.

Percentage changes for July and the seven months from a year earlier follow:

	July	7 months
VARIETY:		
F. W. Woolworth	+ 5.5	+ 2.6
S. S. Kresge	+ 10.6	+ 3.2
Butler Bros.	− 2.2	+ 4.6
G. C. Murphy	+ 6.6	+ 3.4
J. J. Newberry	+ 8.5	+ 6.1
S. H. Kress	− 3.8	− 3.7
McCrory Stores	+ 0.1	+ 0.4
H. L. Green	+ 0.9	− 0.1
McLellan Stores	+ 2.4	− 1.2
Neisner Bros.	+ 5.0	+ 3.0
Rose's Stores	+ 14.8	+ 13.0
M. H. Fishman	+ 3.7	+ 2.5
Total	+ 4.9	+ 2.5
GROCERY:		
Safeway Stores	+ 5.7	+ 6.5
Kroger	+ 11.1	+ 11.1
National Tea	+ 6.8	+ 4.7
Colonial	+ 1.0	+ 2.8
Jewel Tea	+ 6.7	+ 8.8
Grand Union	+ 12.7	+ 19.5
Winn-Dixie	+ 21.6	+ 25.1
American Stores	+ 7.8	+ 14.4
Total	+ 8.5	+ 10.4
MAIL ORDER:		
Sears, Roebuck	+ 11.7	+ 6.1
Montgomery Ward	+ 10.3	+ 6.5
Spiegel	+ 5.2	− 5.8
Total	+ 11.4	+ 4.6
WOMEN'S WEAR:		
Mangel	+ 23.6	+ 19.2
Lerner	+ 12.4	+ 10.0
Grayson-Robinson	+ 13.6	+ 7.8
Lane Bryant	+ 12.3	+ 8.6
Miller-Wohl	+ 3.3	+ 1.0
Franklin Stores	+ 12.0	+ 7.0
Diana Stores	+ 7.8	+ 8.9
Total	+ 11.9	+ 9.0
MEN'S WEAR:		
Bond Stores	− 0.2	+ 3.3
Howard Stores	+ 6.5	− 3.8
National Shirt Shops	+ 8.9	+ 5.2
Total	+ 2.8	+ 2.0
SHOE:		
Edison Bros.	+ 9.0	+ 11.1
Melville Shoe	+ 5.8	+ 7.4
Shoe Corp.	+ 10.1	+ 7.8
A. S. Beck	+ 7.6	+ 5.0
G. R. Kinney	+ 19.5	+ 11.7
Total	+ 9.5	+ 8.6
HARD GOODS-AUTO:		
Western Auto Supply	+ 4.6	+ 5.5
Gamble-Skogmo	+ 23.3	+ 10.4
White Stores	+ 40.5	+ 6.8
Total	+ 12.3	+ 7.0
JUNIOR DEPARTMENT:		
W. T. Grant	+ 6.6	+ 9.1
J. C. Penney	+ 6.3	+ 0.7
Mercantile Stores	+ 3.2	+ 6.0
Interstate Stores	− 0.3	− 1.1
Total	+ 6.1	+ 2.7
DRUG:		
Walgreen	+ 17.2	+ 10.4
People's Drug	+ 9.3	+ 8.3
Total	+ 15.5	+ 9.9
FURNITURE:		
Sterchi	− 6.2	− 0.7
Total	− 6.2	− 0.7

Farm Paradox: As One U. S. Agency Reclaims Land, Another Idles It

Continued From First Page

schemes is in North Dakota, and most of that state is solidly behind it. This is the Garrison diversion project, which contemplates irrigating over a million acres of land now under dry land cultivation.

Headquarters for the project is located in a second floor office over Fleck Oldsmobile in downtown Bismarck, N. D. A map in the office shows location of land which will be brought under irrigation to increase agricultural productive capacity. That million acres is somewhat less than the estimated 1.3 million acres North Dakota farmers had in the soil bank acreage reserve July 15.

Paul Willmore, methodical and cooperative chief of development for the project, explains that the first construction stage has a price tag of $248 million. Total cost estimate: $530 million.

"Costs of the project to farmers are based on ability to pay," he explains.

Interest Mounts Up

The bureau boasts that its projects are "self supporting." Actually, it doesn't charge farmers interest on the irrigation projects' cost—which they repay in periodic instalments over a long period. So over the length of many a contract the interest subsidy may amount to as much or more than the construction costs.

After some verbal sparring, officials in Washington admit that projects probably are paid off at a 50 cents on the dollar basis. The unpaid 50 cents per dollar is written off as a contribution toward "uplifting the general economy."

Basically, the North Dakota project calls for taking water from a bay of the Garrison Reservoir on the Missouri River into the proposed Lonetree Reservoir in Sheridan County, near the center of the state. From there water would flow through a series of canals to the James River, the Sheyenne River and the Souris River valleys.

You have to drive through most of North Dakota to realize the tremendous scope of this project. The upper limits of the area which would come under irrigation touch the Canadian border. The southern extremity spills into South Dakota. In the east, ultimate effects may reach the fertile Red River valley near the Minnesota line. In the west, the Garrison Reservoir itself extends almost to Montana.

Backers Easy to Find

Buttonhole almost anybody in North Dakota and chances are you will get an endorsement of the project. You'll have to catch most farmers on their combines now, though, for the wheat harvest is in full swing on the treeless expanse of the state's farmlands.

You find Earl Amundson, a big, tanned Iowa State grad, aboard his Massey-Harris 90 Special combine, harvesting a scraggly field of wheat south of Jamestown.

"I'm all for this project," he says. "I figure I'll have about 150 acres that can be irrigated." This year he has nearly 800 acres planted in wheat, with 95 acres now in the soil bank.

If Mr. Amundson's 150 acres are irrigated, the resulting increase in yield would at least partly offset the reduction in harvest brought about by any future deposits in the soil bank.

Clarence Horstad, 32, a recently married wheat farmer with a 320 acre farm and 50 acres of it in the soil bank, is shaving at a kitchen sink in a white frame house that sits on the prairie.

"I'll have about 50 acres that will get water," he enthuses. "I ain't complainin' about that."

On the steps of the 1899-vintage, faded red brick Eddy County Court House in New Rockford, Stephen Aslakron, a bare-headed, shirt-sleeved farmer pauses impatiently. Says he: "I haven't figured out yet how much of my land will get water, but I'm for that project."

Then he hurries into the court house to put 40 acres of his 380 into the soil bank.

In the small Farmers & Merchants Bank in Sheyenne, A. L. Garnaas, vice president, sits at a desk behind a rail next to the open door of the safe. A sport-shirted, graying man with a love for farming, he welcomes an opportunity to guide a visitor to the Sheyenne Development Farm.

Once Sheyenne's (population 500) boosters had visions of developing a city airport. When that dream fell flat, the land was turned over to the development farm—a Bureau of Reclamation experiment. The farm, which sits across the railroad track from the town's main street, was developed to demonstrate how farmers might benefit from irrigation. Of 394 acres, 118 are under irrigation; the rest is under dry farming to permit easy "before and after" comparisons.

Some production boosts obtained with irrigation are startling.

Tall, rangy W. R. Hansen, youthful ex-professor at North Dakota Agricultural College, is raking hay with a tractor in an irrigated field. He rubs greasy hands on his dungarees as he clambers from his seat.

"This is my second cutting this year in this field," says he, "and I'm hoping for a third. Without water I'd get one cutting." He scoops a handful of sandy soil and lets it dribble through his fingers. "That soil is pure sand. Without water this place would hardly be worth farming."

Proof of that comes in one of farmer Hansen's corn fields. He lifts a strand of barbed wire to permit a visitor to duck between two strands. On a dry land framing plot, scraggly corn grows to a height of about four and a half feet at best. Next to it, on irrigated land, corn grows eight feet high, with closely planted stalks forming a green jungle into which Hansen disappears in four strides.

"I'll get 15 tons to the acre on this patch," says he. "On that dry land piece I'll be lucky to get five tons to the acre."

A Special District

North Dakota is so solidly behind the project that the legislature already has set up the Garrison Diversion Conservancy District to promote the idea. Twenty-four counties have been included in the district, including 362,717 of the state's 619,636 population. Many of the plan's strongest backers are not farmers, but businessmen.

"You'll find that with most of these reclamation projects its the business people who do the most promoting for water," says H. W. Lyons, vice president of the North Dakota Reclamation Association. "Farmers come in after business people sell them on the idea."

Most businessmen in North Dakota are smart enough to see the beneficial effects a $530 million project could have on the state's economy.

Congressional approval is necessary to kick off the project. Nobody doubts, though, that this approval will be forthcoming, if not next year then the next.

Sponsors of the four state upper Colorado River project plugged for six years for the project after the bureau okayed a development plan in 1950. Rebuffed time and again in Congress, the project finally was endorsed in April, 1956.

North Dakota folk justify expenditures for their project by claiming that anything which benefits their state benefits the country, too.

Bert Anderson, a big, bluff friendly farmer with a place near New Rockford summarizes opinion in North Dakota when he says: "This project is something that's got to be. Irrigation is coming to North Dakota, no question about that."

Already, the $300 million Garrison Dam is a reality, with sparkling blue water backing up behind it for 120 miles. A black top road curves across the concrete spillway and the 12,000 foot length of earth fill.

Driving a new Chevrolet station wagon across the dam, Clarence Johnson, exuberent business manager for the McLean Dairy Co-op at Underwood, sees a big pickup in his dairy business when water comes to the land. Meanwhile, the reservoir is providing immediate subsidiary benefits.

Everyone Has a Boat

Pointing toward a bobbing launch on the wind-whipped reservoir Mr. Johnson says: "Every farmer and his brother has a boat now."

At another reservoir considerably further west near Big Sandy, Montana farmers also are enjoying boating and some of the best trout fishing in the West.

Reclamation Bureau officials in Washington justify their projects by pointing to the nation's growing population. Ultimately, if the population increases at its current rate, crop land may run short, they say. They also stress that over a million acres of farm land are being lost annually to urbanization and new highways.

The bureau's contention is that the nation is better off with a surplus of land than with a shortage. Since the nation ultimately may need all the land it can develop, the bureau believes that it should have a continuing program of land development.

Department of Agriculture crop forecasts made several years ago frequently are cited to justify land development programs. However, a trek to department headquarters to update those forecasts now finds the deparment considerably less worried about land shortages than those earlier forecasts indicated.

Dr. Byron T. Shaw, administrator of the Agricultural Research Service, says: "We are going to achieve far more increases in total output from the land we are now farming than we will by bringing in new land between now and 1975. So I wouldn't want to say we're in any dire position now insofar as land is concerned."

In another office, a second department economist says: "Don't quote me, but we don't need any new reclaimed land right now. I don't know when we might need it and I don't think anybody else does."

Sugar Refiners Trim Prices Again in Chicago and West

NEW YORK—Cane and beet sugar refiners cut prices again in the Chicago and western marketing areas late last week by 15 cents per 100 pounds. A week earlier they declined by a similar amount.

In each instance the cuts were initiated by the beet refiners who may come up with a record beet sugar production this fall. The price action was followed by cane refiners competing in that territory.

The latest reduction brought the cane refined price in Chicago and west down to $8.70 per 100 pounds and beet refined down to $8.50. The beet product normally sells at a discount to cane.

By contrast the price of cane refined in the Northeast has remained unchanged at $9.25 per 100 pounds. However, the price of raw sugar at New York has declined about 50 cents per 100 pounds from its year's high of $6.60, reached in July, with the raw market showing further easiness late last week. As a result, dealers feel refined price cuts are in prospect for other sections of the country.

Lumber Statistics

WASHINGTON—The National Lumber Manufacturers Association announced reports from 490 mills put new orders for the week ended August 3 at 7.4% above those of the preceding period, but 2.7% below the like week last year. Production topped the preceding week by 1.5%, but trailed 1956 by 10.3%. Shipments were down 13.2% from the preceding week and 1.9% under last year.

Government Proposes Voluntary Rationing Of Asiatic Flu Vaccine

Surgeon General Indicates Some Producers Have Indicated Willingness to Accept Plan

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON—The Government proposed a voluntary rationing system for Asiatic flu vaccine.

Under the scheme, the six licensed vaccine manufacturers would allocate the serum to each of the states on the basis of its population. U. S. Surgeon General Leroy E. Burney said several of the companies already have indicated a willingness to go along.

The six manufacturers licensed to produce the vaccine are Eli Lilly & Co., Lederle Laboratories division of American Cyanamid Co., Merck, Sharp & Dohme, Inc., a division of Merck & Co., National Drug Co., Parke-Davis & Co. and Pitman-Moore Co.

Dr. Burney said the system proposed by his Public Health Service would require weekly reports on shipments from the manufacturers, in addition to the state-by-state allocation. The P.H.S. would keep an eye on the situation and recommend changes in the allocation system if any particular state needed more than its share.

Purpose of plan, the Surgeon General explained, would be to assure "an equitable availability of supplies throughout all parts of the country." Dr. Burney has warned that a major epidemic of the Asiatic flu is possible this winter, but is hopeful it will not develop before ample vaccine is available. There are indications the serum makers may top their original goal of having more than 8 million doses available by mid-September, he added.

So far, there have been between 20,000 and 25,000 cases of confirmed or suspected cases of the flu in this country, Dr. Burney said.

Mountain Man: Gerry Builds Success With Unorthodox Ways

Continued From First Page

isn't scaling peaks, he drives a sleek blue Porsche sports car.

"I have no desire to work any harder than I do," he says firmly. "As it is, I have to turn down several thousand dollars worth of orders each year and I would like to cut down my work load even more." Inventories are close to non-existent. Unsolicited customers are rebuffed by a permanent "no trespassing" sign hung beside the rut-filled trail leading to his plant.

But despite this aversion to expansion, Gerry's equipment has been used by most of the recent expeditions to the Himalayas and by the Navy and Air Force in the Arctic, Antarctica, Greenland and Baffin Island, north of Hudson's Bay above the Arctic Circle, he says.

His latest mail order catalog, which he sends out to a selected list of mountain climbers, offers more than 250 items, ranging from 15-cent expansion bolts to a $165 high altitude tent used, for example, on expeditions to K-2 and Makalu, two of the more forbidding mountains in the Himalayas. He has 2,000 names on his permanent mailing list, but sends catalogs out to about 1,800 other climbers who write to him after having heard about his equipment.

Good Ones, Bad Ones

While Gerry spurns expansion he is branching out a bit.

This year, he began offering cable ladders and miners' lamps for the growing sport of cave exploring. Next year, he intends to bring out a line of skiing equipment. He has also perfected a "kiddie carrier" pack for carrying youngsters while hiking or skiing. He says he intends to market these to harassed mothers at state fairs this fall.

Not all of his products have turned out to be good sellers, he recalls ruefully. He once gambled considerable money on building up a big inventory of slalom flags for skiing enthusiasts. After a brisk early sale, the market collapsed. But all was not lost. Gerry was putting a roof on his house at the time, and he used a slalom flag to hold each shingle in place. "We had the most colorful roof in Colorado for awhile," he chuckles.

Patient Customers

As to the idiosyncrasies of his business, Gerry explains, "We have very patient customers." To prove his point he recounts the tale of one mountaineer who sent in the exact same check and the exact same order that had been returned to him 13 months earlier, when Gerry had been unable to fill it. The man had learned the equipment was once more available.

The success of Gerry's enterprise reflects an obvious but hard-to-nail-down growth in mountain climbing and spelunking (cave exploring) as sports.

"There's no way of estimating the number of mountain climbers in the U. S.," explains Bestor Robinson, an old-time climber and past president of the California Sierra Club, which has nearly 14,000 active climbers. "They range all the way from the pros who strap on crampons and inch their way up lofty crags to Mrs. Jones who says, 'Wouldn't that be a lovely hill to climb'." If you include both categories, "and you must," according to Mr. Robinson, "the figure would run into the millions."

"Disorganized Sport"

Adds Producer Gerry: "Mountaineering is a very disorganized sport. That's one of its attractions. Many climbers don't belong to any club or organization. As a result, there are no national figures on how many people climb, but there's no doubt that the number is growing. The growth of my business is one indication of this."

Cave exploring is a relatively new sport, and generally only the most experienced mountain climbers try it. One reason it isn't as popular in this country as in Europe, enthusiasts say, is that there are comparatively few challenging caves here.

Gerry himself and his wife are enthusiastic mountaineers. He tells why:

"Mountain climbing is one of the few basic things in life these days. You can't get to the top by cheating or working a deal. You are completely on your own. There is great personal satisfaction in climbing for anyone who tries it, because there's a real sense of accomplishment in doing something difficult. It's a good way to relieve the emotional pressures that build up in city living."

Gerry, his wife and three youngsters live in a seven-room Swiss chalet complete with balcony, which Gerry is building himself. To get to his house, you drive over a rickety log bridge across the swirling white water of a mountain trout stream and up a narrow road. White-faced beef cattle, unmindful of intruders, go on grazing.

"They belong to a neighbor of mine," Gerry relates. "I let them run on my land twice a year just to cut the grass."

Opera Inspiration

The Cunningham house is equipped with almost every major appliance except one—a television set. "We wouldn't have one even if we could pick up a station here," Gerry declares. Instead, he has invested in a hi-fi set and tape recorder. While working on new equipment, he explains, he likes to listen to opera—to the despair of his wife, who prefers lighter music.

Born in Utica, N. Y., Gerry did his first climbing on limestone cliffs while studying mechanical engineering at Antioch College in Yellow Springs, Ohio. He didn't see his first mountains until he began training with the 10th Mountain Division at Camp Hale, Colo., during World War II. Later, he saw action in the rugged mountains of Italy and the Aleutians.

While in service, he spent his spare time redesigning heavy, bulky G.I. equipment. After the war, he figured he could make better equipment than he could buy. He set up his own company, and began making specially designed mountain climbing equipment from new lightweight materials, such as aluminum, nylon, fibrous glass and reinforced plastics.

Turning Point

The turning point for his business, Gerry believes, came when he and his wife recounted to Eastern climbing societies how they frequently spent more than a week at a time above the timber line, carrying only 25 pounds apiece.

Gerry's wife is an expert climber, and the couple's nine-year-old sons have scaled already the sheer south face of Sawtooth mountain, just a few miles from their home. Next summer, Gerry and his wife hope to get permission for an expedition into the soaring Karakorum Himalayas of Pakistan.

It won't be all vacation, however, Gerry says. "This would be an excellent opportunity to test out some of my new equipment," he explains.

Belgium Plans to Raise $30 Million From Loan And Sale of Securities

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Belgium will announce plans this week to raise about $30 million in the United States through a securities issue and a World Bank loan.

It was learned that negotiations are going on to set the exact amount and terms of the financing. More than half of the financing is expected to come from the securities sale, which is slated for presentation through Morgan Stanley & Co., Smith, Barney & Co., and associates.

Formal announcement of the transaction is to come Wednesday. The World Bank's board reportedly would approve the loan before that time.

Proceeds of the financing would go for work on Belgium's inland waterways system. Belgium raised $50 million in 1954 with a similar arrangement; $30 million came from bonds underwritten by a group headed by Morgan Stanley and Smith, Barney, & Co., jointly, and $20 million from the World Bank.

Universal-Cyclops Steel

UNIVERSAL-CYCLOPS STEEL CORP. reports for six months ended June 30:

	1957	1956
a-Earned per share	$2.01	$1.74
Net before income tax	4,421,565	3,827,707
Income taxes	2,420,000	2,091,000
Net income	2,001,565	1,736,707

a-Based on 995,564 shares of capital stock adjusted to reflect the 100% stock distribution in July, 1957.

Senate Group Refuses Request For Ship Write-Off Permit

WASHINGTON—The Senate Finance Committee refused to let the Office of Defense Mobilization issue a fast write-off certificate to Pacific Trailer Steamship Co. for two roll-on, roll-off ships.

The proposal rejected by the lawmakers would have allowed the steamship line to write off 40% of the cost of two ships, estimated at $30 million, for tax purposes in a five-year period rather than over a span of 20 years or more.

The Finance Committee had originally decided to sharply curtail the scope of the tax amortization program as of August 5, to only some key defense and atomic energy items. But the deadline was stretched to August 22 when Mr. Gray said he would like additional time to grant tax aid for facilities to produce liquid oxygen and nitrogen.

A bill embodying the August 22 deadline was enacted by Congress.

Although theoretically the O.D.M. can issue roll-on roll-off tax certificates until that date, Mr. Gray indicated he would not do so since he had earlier requested the extended deadline just for the oxygen and nitrogen facilities.

He requested the Finance Committee's permission to issue certificates until August 22 for the special type vessels. But this was refused by the finance group.

Safeway Sales

SAFEWAY STORES, INC., reports sales:

	1957	1956	Changes	%
4 wks Aug 10	$167,269,497	$154,674,297	+$12,595,200	8.1
32 wks Aug 10	1,384,629,236	1,290,773,949	+ 90,865,287	6.7
Stores	2,010	1,987		

Tax Exempts

Municipal Yield Index Climbs 4 Basis Points, Hits New 22-Year High

A WALL STREET JOURNAL News Roundup

The steady attrition of municipal bond prices continued last week, and the Dow-Jones yield index on tax exempts today registers 3.58%, the highest level since September, 1935, and an increase of four basis points over last Monday's 3.54% figure, the previous 22-year record.

The Dow-Jones index, comprised of 20 representative 20-year bonds, moves inversely to municipal security prices.

Main reason given by dealers for the dwindling value of their wares was the continued high volume of municipal securities coming to market. This swollen money demand, acting in conjunction with the Federal Government's anti-inflationary "tight" money practises, has beaten down bond prices and forced yields up to heights not seen since the mid-thirties, they note.

With municipal bond yields greater than those realized on many stocks and carrying their tax-free attraction besides, municipal traders discerned a mild swing from stock to bond purchases by individual investors. These investors from the stock market sought primarily short term maturity bonds and were lured by yields from municipal bonds actually more attractive than those of the thirties. Corporate and income taxes were far less weighty 20 years ago than now.

Reception Differs

Confronted with the possibility of a further drop in bond prices, dealers evaluated issues last week with an eye to "rapid movement." Reception by investors at retail varied from good to so-so. The $44,000,000 Los Angeles school districts issue was last week's biggest success, reporting a sellout soon after the reoffering. On the other hand, by late Friday only a little over half of New York City's $40,000,000 securities were reported sold. Nearly a third of the $35,000,000 Connecticut issue of two weeks ago was still unsold. And "realistic" price cuts reportedly were anticipated.

Some dealers in municipals felt the prices quoted last week were close to "rock bottom." Most other dealers, however, could see no basic change in the conditions that were depressing the bond market, i.e. "tight" money policies of the Federal Reserve System and the heavy demand of municipalities for money they felt prices would continue to dwindle until those conditions were changed.

The visible 30-day supply of tax-exempt bonds coming to market now stands at $318,153,019, up from last Monday's figure of $304,329,614, according to the Daily Bond Buyer. The Blue List total of unsold municipal and housing bonds held by dealers today stands at $175,318,100, also increased from last Monday's $167,086,000.

This Week's Offerings

Larger issues coming up for sale this week are $21,002,000 Nassau County, N. Y., bonds today, and $19,600,000 Kansas Turnpike Authority bonds and $19,600,000 Massachusetts obligations on Tuesday.

Other issues this week include:

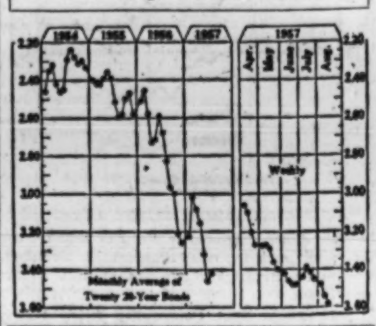
Today: Anaheim, Calif., Union High School District, $1,830,000;

Tuesday: Appleton, Wis., $1,480,000; Downey, Calif., Union High School District, $1,000,000; Omaha, Neb., Public Power District, $8,000,000; Terrebonne Parish, La., Consolidated School District No. 1, $1,500,000; Westerly, R. I., $1,300,000;

Wednesday: Gates and Chili, N. Y., Central School District No. 1, $3,623,000; Jefferson County, Ala., $3,000,000; Lebanon, Ind., $1,250,000; Rhode Island, $6,700,000; San Jose, Calif., $5,000,000 South Carolina, $6,000,000, Vero Beach, Fla., $2,890,000;

Thursday: Arlington County, Va., $2,492,000; Champaigne County, Ill., Community School District No. 4, $1,250,000; Lakeland, N. J., Regional High School District, $2,040,000; St. Clair Shores, Mich., Lakeview Public School District, $1,500,000.

Municipal Bond Yield



Maine Turnpike Income Below Required Interest For Seven Months of '57

By a WALL STREET JOURNAL Staff Reporter

PORTLAND, Maine—The 110-mile Maine turnpike, 18 months after its completion, is still not earning enough to meet the interest requirements on its $78,600,000 outstanding bonds.

Net income available for bond interest and reserve funds realized during the first seven months of this year amounted to $1,559,444, up slightly from the $1,501,024 figure for the like period in 1956, but still short of the $1,834,000 interest mathematically due on the bonds during the seven-month stretch.

Gross revenues derived from the turnpike for this same seven-month period were $2,133,479 against $1,966,764 during the similar stretch in 1956 but expenses were up too, from $465,740 to $574,034 in the same periods of time

William B. Getchell, Jr., chairman of the Maine turnpike authority, said he was "hopeful" that revenues from the road would be higher during this month and next. But he said that the road, which was extended from Portland to Augusta in 1955, was not yet living up to expectations.

Before the Portland-Augusta extension was opened, the turnpike reached only from Kittery at the New Hampshire border to Portland and showed a steady profit. The northern extension of the road is much less heavily traveled and revenues from the southern extension are not sufficient to make up the difference between net earning by the turnpike and interest requirements on the bonds which bear 4% coupons.

Wichita, Kan., Plans to Offer $41,825,000 Bond Issue Soon

Water revenue bonds totaling $41,825,000 will be up for sale by **Wichita, Kan.**, on September 17.

Honolulu, Hawaii, has $11.5 million various purpose bonds headed for market August 29. Maturities vary from 1959 to 1987.

September 19 is sale date for $8,390,000 **Buffalo, N. Y.**, various purpose bonds maturing 1958 to 1972.

Janesville, Wis., plans to sell on August 29 $1,845,000 school bonds bearing maturities from 1958 to 1977.

Sarasota County, Fla., intends to sell $1,800,000 county hospital bonds on September 18. These bonds fall due 1959 to 1977.

Cazenovia, Fenner and Nelson, N. Y., Central School District No. 1 will be in the market August 27 with $1,185,000 school bonds maturing from 1959 through 1987.

Pennsylvania Pike Revenues In July Rose to $3,710,872

HARRISBURG, Pa. — Gross revenues received by the Pennsylvania Turnpike in July rose to $3,710,872, from $3,146,712 in July, 1956. Net income available for interest payment and debt retirement utilized during the month climbed to $2,904,027 from $2,214,037 in the like month a year ago. Monthly interest requirements on the toll road total $1,175,000.

Operating expenses for the month totaled $770,925, up from $586,736 in July, 1956, and include only cash expenditures while the figure for the like month a year ago include all expenses incurred for that period.

At the same time, July expenditures for unusual maintenance, repairs and replacement of equipment totaled $35,920, down sharply from $345,939 in July, 1956.

Prices of Recent Securities Issues

The original offering price and Street market are indicated below for recent issues of selected securities that are not listed on a principal exchange.

Issues:		Offering Price	Bid	Asked
UTILITY BONDS				
Cen Ill Light	4⅝s '87	100.80	99⅝	100⅛
Georgia Pow	5⅛s '87	102.29	103¾	104⅛
Gen'l Teleph	5s '87	100	101¼	101⅝
Jer Cen P&L	5s '87	10[illegible]663	98¾	99⅛
Met Ed	4⅞s '87	101½	101⅝	102
North States	5s '87	100	100⅞	101¼
Mich Wisc Pl	6¼s '77	102.889	103⅞	104⅛
N Y Teleph	4½s '91	101.755	99¼	99⅝
Nor Sta Pow	4⅝s '87	100 4	98½	99
Pacific G & E	5s '89	100.798	103½	103⅝
Puget S P&L	6¼s '87	103.459	106¼	107
Sou Bell Tele	5s '86	102.32	103⅞	104¼
Sou Cal Edis	4¾s '82	100.73	100⅛	100⅝
Sou Cal Gas	5⅛s '83	101.807	104¼	10⅜
Tenn Gas Tr	6s '77	99	101⅝	101⅜
Texas El Ser	⅝s '87	101.60	101¾	102⅛
West Penn P	4⅞s '87	101.66	102	102⅛
Wis Tele	4½s '92	101¼	98	95⅜
OTHER BONDS				
Chance Vght	5¼s '77	100	89	91
Gen Mtrs AC	5s '77	97½	98⅞	99¼
Sears Roeb'k	5s '82	100	97⅞	98¼
PREFERRED STOCKS				
McLouth Steel	5%	100	99	99⅝
Tung Sol	5%	50	48⅞	9⅝
COMMON STOCKS				
Carter Prd		22	28⅞	29¼

Financing Business

Two Big Debt Issues Highlight Corporate Offerings This Week

Atlantic Refining's $100 Million, Pacific Telephone's $90 Million Debentures Are Due Tomorrow

By a WALL STREET JOURNAL Staff Reporter

This week's otherwise limited corporate financing calendar features two large debt issues—Atlantic Refining Co.'s $100 million of convertible debentures and Pacific Telephone & Telegraph Co.'s $90 million of 23-year debentures.

Underwriters of the Atlantic Refining transaction are scheduled to sign the necessary agreements this morning at the New York offices of Smith, Barney & Co., the manager, preparatory to placing the big issue on the market tomorrow.

Pacific Telephone will put its big debenture offering up for public bidding tomorrow.

Unofficial reports in Wall Street late Friday were that the Atlantic Refining debt securities probably would carry a 4½% coupon and go to the public at par. The same unconfirmed reports placed the conversion privilege for the issue 15% away from the prevailing market price of the common.

If these rumored terms turn out to be the same as those finally adopted by Atlantic Refining's directors, buyers of the new obligations would have the privilege of converting them initially at the rate of about $53 face amount of debentures for each common share. Atlantic Refining common closed on the New York Stock Exchange Friday at 46⅛.

Aside from the big Atlantic Refining and Pacific Telephone issues, the week's calendar contains a $5 million bond issue—to be put up for public bidding Wednesday by Iowa Southern Utilities Co.

There will be a handful of new common stock offerings, but no new preferred stock issues of size.

The common offerings are expected as follows: 150,000 shares by Celotex Corp., expected today via underwriters led by Hornblower & Weeks and Eastman Dillon, Union Securities & Co.; 150,000 shares by Coastal States Gas Producing Co., expected tomorrow via a Paine, Webber, Jackson & Curtis-Blair & Co., Inc., group, and 120,000 shares by Holiday Inns of America, Inc., expected Wednesday via Equitable Securities Corp. and associates.

Meanwhile, underwriters have only light supplies of new corporate securities unsold on their shelves—bonds or stocks.

Last week's only competitive bond issue of size—Northern States Power Co. on Minnesota's $18 million of first 5s—was a quick sell-out at retail. But it took what was called the highest yield in a quarter of a century for an electric utility issue of comparable quality to accomplish this desired result.

The week's total for new issues of publicly offered corporate debt securities was $39,512,500. There was a single new common stock offering for $1,800,000, but no new preferred stock issues of size.

Sperry Rand Registers $110 Million Debt Issues With Stock Warrants

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Sperry Rand Corp. registered $110 million of debentures, with common stock warrants attached, with the Securities and Exchange Commission.

The 25-year sinking fund debentures would be the first bond offering made by Sperry Rand since the company was formed through merger of Sperry Corp. and Remington Rand. Offering price, interest rate and warrant terms have not been set.

A group headed by Lehman Brothers and Merrill Lynch, Pierce, Fenner & Beane will underwrite the issue.

All American Life Sets Issue

WASHINGTON—All American Life & Casualty Co., Park Ridge, Ill., registered 300,000 shares of common stock with the Securities and Exchange Commission. Subscription rights for these shares, the company states, would be sent out to common stockholders on the basis of one new share for each six held. Proceeds from the sale would be employed for expansion.

Money Rates

NEW YORK—Bankers acceptance rates on 30-90 day bills were quoted 4⅛% to 4%, 120 day bills are 4¼% to 4⅛% and the 180 day bills 4⅜% to 4¼%.

Federal funds bid at 3%.

Call money lent dealers on bills and Treasurys was quoted at 4% to ¼%.

Call money on stock exchange collateral was 4⅛% to 4½%.

Commercial paper sold through dealers four to six months maturity was 4% to 4⅜%.

Commercial paper placed directly by the major finance companies one to nine months maturity was 3½% to 4%.

Bond Markets

Long-Term Treasurys Close Lower on Week, Corporates Also Down

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Long-term U. S. Government liens led a slow-motion decline in the bond market last week.

Some dealers closed the 3¼s of June, 1978-83 at 92 14-32 bid, off 10-32 on the week, including a 2-32 loss Friday. This issue set another new record low during the week.

The Victory Loan 2½s of December, 1967-72 were 86 26-32 bid, off 1-32 on the day and 4-32 for the week. The 40-year 3s were 2-32 lower on Friday at 87 14-32 bid, with a 6-32 loss for the week. Both liens were within a point of the June record lows.

The new Treasury 2-to-4 years held about even for the week despite mid-week easiness. The closing quote on this issue was 100 12-32 bid.

Yields on the "Vics" reached 3.63%, while the 3¼s paid 3.70% and the 40-year 3s brought a 3.60% return.

Investment grade corporates could not muster any trading enthusiasm during the week, and turnover was small. Prices drifted down gradually.

"These are typical summer trading days," yawned one dealer. "Friday and Monday are practically extensions of the weekend as far as volume is concerned, and the rest of the week isn't much better."

Rails again recorded fractional losses in sparse dealings.

Bids on new municipal issues continued to show the need for ever-increasing yields to insure successful marketing of the tax-exempt liens. "There will be another heavy calendar of offerings next week, so the pattern of declining prices should remain the same," one dealer stated.

Revenue bonds were mostly lower, with certain liens taking losses of a point or more Thursday and Friday.

Chilean bonds were lower, Germans better in a moderately active week of foreign bond trading.

Big Board convertibles followed the decline of the stock market, with many issues off several points.

Equipment Certificate "Float"—

Unsold inventories of equipment trust certificates in the hands of dealers are estimated at $4,900,000 this morning, compared with $8,350,000 last week. No certificates were sold last week, and no sale is scheduled this week.

Plantation Pipe Line Debentures

Temporary coupon issues of Plantation Pipe Line Co. 30-year 3½% debentures, due 1986, may be exchanged for definitive debentures on and after August 22 at J. P. Morgan & Co., Inc.

Industrial Enterprises

six months ended June 30:

	1957	b-1956
a-Earned per common share	$1.77	$1.58
Net sales & operating revenues	8,141,331	7,333,338
Net income after taxes	544,140	486,831

a-Based in each year on the 307,633 common shares now outstanding. b-Pro-forma.

Commodities

Price Trends of Tomorrow's Meals and Manufactures

Government and Grain Traders Are at Odds Over Changing From Bushel to Hundredweight

By a WALL STREET JOURNAL *Staff Reporter*

NEW YORK—Bushel or hundredweight? This is a question confronting the grain industry.

Reports from Washington hint the Department of Agriculture has determined that on and after July 1, 1958, the Cwt. and not the bushel will be the unit on which all loan programs for grain will be based. This would also apply to Government sales and purchases of grains.

Many grain marketing specialists and others connected with the industry do not favor the switch. Mental adjustments would have to be made in shifting from bushels to the hundredweight. The reason lies in the fact that a bushel of wheat weighs 60 pounds, oats 32 pounds and corn 56 pounds. Forms would have to be changed for business transactions. Revisions would be necessary in historical data.

In Washington there appears no doubt that the Department of Agriculture can legally place its activity on a Cwt. basis. However, it is doubtful that the Government can force the private grain trade to buy, sell or handle cereals on this basis. Government officials argue that on the West Coast trading in grains is on a Cwt. basis. Dealings in grain sorghums are also conducted with the larger unit. In the Northwest many state committees have been doing business with local warehousemen on a Cwt. basis. However, most other elevator dealers are reported against a change. Feed grain dealers, however, who sell a good deal of their product in hundred pound bags are reported in favor of the change. The milling industry sells flour in hundred pound bags and buy grain on a bushel basis. Most of these interests are opposed to a change.

Dealings in grain futures where contracts are made eleven months ahead would present special problems as many commitments would be outstanding if a shift was made. Thus dealings would continue for almost one year on the basis of both the hundredweight and bushel units.

Highlights of Friday's markets follow:

Higher

Wheat—Up ⅝ to 1⅞ cents a bushel at Chicago. Minneapolis was off ⅛ to ⅛ cent with Kansas City up ⅛ to 1 cent.

Soybeans—Up ⅛ to 2⅛ cents a bushel at Chicago.

Soybean Oil—Up 11 to 19 points at Chicago. New York was up 10 to 22 points.

Cottonseed Oil—Up 17 to 22 points at New York

Lard—Up 12 to 25 points at Chicago.

Cotton—Unchanged to up 19 points at New York. New Orleans was up 4 to 18 points.

Wool—Up 9 to 19 points at New York.

Zinc—Up 34 to 39 points at New York.

Flaxseed—Up 2 to 2⅝ cents a bushel at Winnipeg. Minneapolis was off 2 to 2½ cents.

Potatoes—Unchanged to up 2 cents per hundred pounds at New York.

Eggs—Unchanged to up 20 points at Chicago.

Irregular

Corn—Off ⅞ to up ¼ cent a bushel at Chicago.

Oats—Off ⅛ to up ¼ cent a bushel at Chicago. Minneapolis was unchanged to up ⅛ cent, with Winnipeg unchanged.

Rye—Off ⅛ to up 1½ cents a bushel at Chicago. Winnipeg was up 1 to 1¼ cents.

Cocoa—Off 15 to up 8 points at New York.

Copper—Off 15 to up 10 points at New York.

Lower

Sugar—World contract off 11 to 44 points Domestic contract was unchanged to off 2 points.

Coffee—Off 5 to 65 points at New York.

Rubber—Off 25 to 30 points at New York. London was unchanged to off 15 points with Singapore unchanged.

Hides—Unchanged to off 10 points at New York.

Tin—Off 25 to 50 points at New York.

Onions—Unchanged to off 2 cents per 50 pounds at Chicago.

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Rubber Markets Steady

LONDON—Rubber futures closed steady Friday and September was 27¼ pence, off ⅛ from Thursday's close (American equivalent, basis $2.80 for sterling 31.77 cents). October-December 27½, off ⅛ (32.06), January-March 27⅝, off ⅛ (32.21), and April-June 27¾, unchanged (32.36).

Singapore futures closed quiet and September in straits cents per pound was 92⅝, unchanged (30.88), and October 93⅞, unchanged (31.30).

Kentucky Standard Oil Prices

LOUISVILLE—Standard Oil Co. (Kentucky) announced that the new pipeline price of bunker "C" or No. 6 fuel oil at Savannah, Ga. is $2.92 a barrel, a 7-cent reduction. Earlier the company reported that the price was $2.99 a barrel, a figure in which it erred, the company said.

Wheat Agreement Sales

WASHINGTON — The Agriculture Department reported U. S. exporters sold 2,388,000 bushels of wheat abroad under the international wheat agreement in the week ended August 23. This brought cumulative sales by the U. S. since the quota year started June 1 to 17,385,000 bushels, leaving a balance of 110,740,000 bushels unfilled.

London Metal Market

LONDON—The following quotations are in pounds sterling per long ton on the London Metal Exchange:

	Friday Bid	Friday Asked	Thursday Bid	Thursday Asked
Copper Spot	212	212¼	212	212½
Forward	213¾	214	213¾	214
Tin Spot	745	746	744	745
Forward	745	746	744	745
Lead Spot	93	93¼	92⅞	93¼
Forward	93⅛	93½	93⅛	93½
Zinc Spot	75	75¼	74½	75
Forward	74¾	75	74½	74¾

Reuters United Kingdom Index

		Chg.	Yr-Ago	August High	August Low	1957 High	1957 Low
Aug. 16	441.0	– 1.5	481.8	449.9	439.9	506.8	439.9

	1956	1955	1954	1953	1952
High	512.9	515.3	503.3	514.0	595.6
Low	468.1	476.8	478.2	475.9	515.2

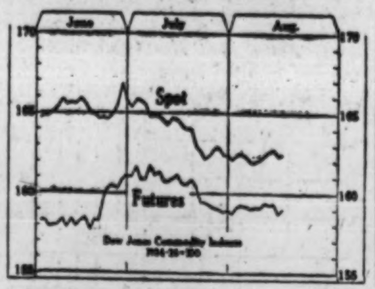
London Silver

LONDON—Spot silver was 78⅞, and forward 78¾, both unchanged from Thursday's close.

London Gold

LONDON—The gold price was 251s 4d, unchanged from Thursday's close.

Commodity Indexes



Dow Jones Commodity Futures Index during week ended Friday August 16, declined 0.10 to 159.04. A year ago the Futures Index was 160.85.

Dow Jones Spot Commodity Price Index during the same period advanced 0.28 to 162.43. A year ago the spot index was 164.60.

Date	Open	11	12	1	2	Close	Chge.
Aug. 16	158.69	158.70	158.89	158.76	158.75	159.04	+ .30
Aug. 15	159.29	159.04	159.16	158.95	158.81	158.74	– .66

French Franc Lost Further Ground Last Week, Dealers Say

By a WALL STREET JOURNAL *Staff Reporter*

NEW YORK—The French franc ended the week lower than it was before France announced its "camouflaged devaluation," according to foreign exchange dealers here.

It closed around 456 to the dollar, off from around 435 a week earlier. Indications were that the main source of weakness was Frenchmen still interested in unloading francs, dealers said.

Many foreign exchange men here thought France might take further steps to back last week's partial devaluation move. The feeling still persisted that the new rate was "unrealistic." However, one dealer, Fedele C. Tordella, of Perera Co., Inc., foreign exchange dealers, said, "I personally doubt rumors of further devaluation. I don't think the government would take such a move and then have to do it again right away."

In the partial devaluation step, France set a tourists' rate of 420 francs to the dollar, established an export rate at the same figure on all but certain vital exports and imposed a 20% tax in addition to the 350 official rate on all except certain vital imports.

This move, though still not an out and out devaluation, was being referred to as such by foreign exchange men in New York. One foreign exchange authority simply called it "the eleventh devaluation of the franc in about 21 years."

The Canadian dollar pushed on to another historic high in New York foreign exchange dealings, hitting $1.0591 in terms of the U. S. dollar late Friday.

This was a sharp advance over Thursday, when it closed at $1.0570. The previous historic high of $1.05625, established in November, 1933, was broken through Thursday.

At the same time the pound sterling gave ground sharply in terms of the Canadian dollar, though it held steady in terms of U. S. dollars.

The rise of the Canadian dollar was interpreted by dealers on both sides of the Atlantic as a move by European investors to hasten their investment in Canada. According to official sources in Ottawa, the upsurge stemmed from increasing interest by West German investors in Canadian securities. It was said that there have been many transfers of investment money by various German groups adding up to a substantial total.

Wholesale Price Index

WASHINGTON—The Government's wholesale price index declined 0.1% in the week ended August 13.

The drop left the Bureau of Labor Statistics' index at 118.0% of the 1947-49 average.

Wholesale price index for week ended August 13, 1957, (1947-49 equals 100):

Commodity Group	Weekly Index Aug. 13 1957	Percent chg. to Aug.13,'57 from Aug. 6 1957	July 1957
All commodities	118.0	–0.1	–0.1
Farm products	92.7	– .4	0
Processed foods	106.4	– .4	– .7
Meats	97.9	– .8	–1.3
All commodities other than farm and foods	125.6	0	0

Grain Statistics

The Commodity Exchange Authority reports total volume of trading in grain futures on the Chicago Board of Trade, as of the close of business Thursday, August 15, 1957, as follow (in thousands of bushels):

	Sept	Dec	Mar	May	July
Wheat, old	10	120			
Wheat, new	2,584	3,826	2,654	1,700	621
Corn	3,591	2,909	1,205	390	...
Oats	363	956	252	67	
Rye	541	1,084	314	206	20

Soybeans September 4,842, November 7,946, January 2,666, March 2,533, May 958.

Volume of trading in lard futures follows (in units of 40,000 pounds) September 31, October 68, November 5, December 32, January 4.

Open interest in Chicago grain futures follow (in thousands of bushels):

	Thurs.	Wed.	Wk. ago
WHEAT:			
September, old	5,684	5,704	5,933
September, new	19,497	19,870	22,596
December, old	3,808	3,928	4,305
December, new	43,838	43,592	41,951
March	28,532	28,236	26,008
May	17,151	16,752	15,352
July	3,777	3,506	2,112
Total	122,297	121,588	118,237
CORN:			
September	15,367	16,548	18,502
December	21,329	21,368	21,028
March	8,788	8,966	9,180
May	2,829	2,800	2,542
July	144	144	84
Total	28,457	49,826	51,336
OATS:			
September	5,802	5,857	6,394
December	13,234	12,992	11,704
March	5,894	5,787	5,146
May	1,444	1,437	1,301
Total	26,374	26,073	24,545
RYE:			
September	3,299	3,471	3,844
December	7,968	7,780	7,157
March	5,245	5,249	5,013
May	3,564	3,543	3,309
July	20	...	...
Total	20,096	20,043	19,323
SOYBEANS:			
September	23,198	23,172	24,533
November	30,866	31,133	30,469
January	16,661	16,743	15,815
March	19,772	19,257	17,541
May	6,278	6,017	4,259
Total	96,775	96,322	92,617
Total all grains	313,999	313,852	306,078
LARD: (In units of 40,000 pounds)			
September	693	707	774
October	355	345	289
November	171	173	164
December	270	260	244
January	63	67	55
Total	1,552	1,552	1,526

Weekly grain and lard futures purchases (000's omitted):

	Week ended Aug. 15, '57	Wk-ago	Yr-ago
Wheat	89,547	82,997	93,898
Corn	32,403	24,769	59,281
Oats	9,026	10,500	22,685
Rye	19,922	22,788	20,491
Soybeans	97,440	83,792	66,390
Totals	248,338	224,926	262,745
Lard	1,064	1,159	1,117

Cash Prices

Friday, August 16, 1957

	Fri.	Thurs.	Year ago
FOODS			
Flour, hard winter NY cwt	$6.35n	$6.35	$6.20
Coffee, Santos 4s NY lb	.54a	.54	.60⅝
Cocoa, Accra NY lb	.31⅝n	.31¾	.28⅝
Sugar, Refined NY lb	.0925	.0925	.0875
Sugar, Raw NY lb	.0610	.0610	.0615
Butter, Fresh A-92 sc NY lb	.60½	.60½	.60¼
Eggs, No. 2 Extra Chicago doz	.38½	.38¼	.35
Hogs, Chicago top cwt	22.00	21.75	17.75
Broilers, 3 lb & under DelMV lb	.21¾	.21¾	.19¼
Steers, Chicago choice cwt	27.25	27.25	28.60
Pepper, black NY lb	.27½a	.27½	.37½
GRAINS AND FEEDS			
Wheat, No. 2 ord hard KC bu	2.12¼	2.11	2.16⅝
Corn, No. 2 yel Chicago bu	1.32n	1.34	1.63½
Oats, No. 1 wh. heavy, Chgo., bu.	.72½	.72¾	.76½
Rye, No. 2 Minneapolis bu	1.30	1.28⅝	1.43
Barley, malting NY bu	1.63n	1.63	1.72
Soybeans, No. 1 yel Chicago bu	2.48¼n	2.48	2.51
Flaxseed, Minneapolis bu	3.22	3.24	3.30
Bran, Buffalo ton	34.50a	34.50	39.50
Linseed Meal, Minneapolis ton	46.00a	46.00	54.00
Cottonseed Meal, Memphis ton	53.50a	52.50	53.00
Soybean Meal, Decatur, Ill. ton	55.00a	54.00	53.00
FATS AND OILS			
Cottonseed Oil, crd Sou'east lb	.13⅛n	.13	.12⅝
Corn Oil, crude Chicago lb	.13	.13	.12½
Soybean Oil, crd Decatur, Ill. lb.	.11½a	.11⅝	.11⅝
Peanut Oil, crd Southeast lb	.13⅝	.13⅝	.13⅝
Coconut Oil, crd Pac Cst lb	.12½n	.12¼	.10⅝
Copra, Pacific Coast ton	162.50n	162.50	152.50
Lard, Chicago lb	.1315n	.1300	.1210
Tallow, bleachable, NY lb	.08⅝	.08⅝	.07¼
Linseed Oil, raw NY lb	.1460a	.1460	.1380
TEXTILES AND FIBRES			
Cotton, one in. mid Houston lb	.3300	.3300	.3265
Cotton, one in. mid Memphis lb	.3435	.3435	.3275
Cotton, one in. mid NY lb	.3525	.3520	.3425
Print Cloth, 64x60 38½ in. NY yd	.13¼	.13¼	.13⅝
Print Cloth, 80x80 39 in. NY yd	.17¾	.17¾	.18½
Sheetings, 56x60 40 in. NY yd	.18½	.18½	.19½
Burlap, 10 oz. 40 in. NY yd	.1070a	.1070	.1015
Wool, fine staple terr. Bstn. lb.	1.71	1.71	1.36
Wool Tops, NY lb	1.945n	1.935	1.613
Rayon, Satin Acetate NY yd	.30	.30	.27½
Silk, Jap 2-A NY lb	4.44a	4.46	4.35
METALS			
Steel, billets Pitts ton	77.50	77.50	74.00
Steel Scrap, 1 hvy melt Pgh ton	56.00	56.00	51.00
Iron, pig No. 2 Phila ton	68.50	68.50	55.00
Copper, Conn Valley lb	.28½	.28½	.40
Lead, NY lb	.14	.14	.16
Zinc, East St. Louis lb	.10	.10	.13½
Tin, NY lb	.94½	.94¾	.98⅞
Aluminum, pig, NY lb	.26	.26	.25
Antimony, Laredo, Tex. lb	.33	.33	.33
Quicksilver, NY 76 lb flask	255.00	255.00	257.00
Platinum, large lots NY oz	84.00	84.00	103.00
Silver, (H & H) NY oz	.91⅛	.91⅛	.90⅝
MISCELLANEOUS			
Rubber, smoked sheets NY lb	.32¼	.32½	.35½
Hides, light native cows Chgo lb.	.17½	.17½	.16
Gasoline, Reg Gulf (low cgo) gal	.11½	.11½	.10⅛
Petroleum, crd East Texas bbl	3.25	3.25	2.90

a-Asked. b-Bid. n-Nominal. r-Custom smelters are pricing copper at 28½ cents a pound.

Futures Prices

Friday August 16, 1957

CHICAGO—WHEAT	Open	High	Low	Close	Change	Season's High	Season's Low
Old contract							
Sept.	217⅝	218¼	217⅝	218¼	+1½	233⅝	203⅝
Dec.	223¼	224½	223¼	224⅝	+1⅝	236⅝	206⅝
New contract							
Sept.	217⅞	219	217⅝	218⅝-⅝	+⅝to⅝	219½	204½
Dec.	223⅞	225	223⅞	224⅝-⅝	+1to1⅝	225½	209½
Mar.	226⅜	228¼	226½	228	+1⅝	228¼	209⅞
May	221⅝	223½	221¼	223-223¼	+1⅝to1⅝	223½	204⅝
July	205¼	207	205¼	207	+1⅞	207	201½
CHICAGO—CORN							
Sept.	127⅝	127⅞	126⅝	126⅝-⅞	–⅞to⅝	148⅞	127¼
Dec.	125½	126⅝	125⅝	125⅝-⅞	+⅛to¼	136	121¼
Mar.	129⅝	130⅝	129⅝	130¼	+¼	136⅝	125
May	132⅞	133⅝	132⅝	133	....	139⅝	128
July	135¼	135⅝	135	135¼	....	138	133⅝
CHICAGO—OATS							
Sept.	65	65¼	64⅝	64⅝	–⅛	77¼	63⅝
Dec.	68¼	68½	67⅝	67⅞-⅞	–⅛to unch	73½	66½
Mar.	70⅝	70¾	70	70⅛	+¼	75	68⅝
May	70½	70⅝	70½	70½	....	74	69⅞
CHICAGO—RYE							
Sept.	134⅝	136¼	136⅝	138¼-136	+1½to1¼	155⅝	113⅝
Dec.	140½	141½	140½	141½-⅛	+1⅝to1⅝	153⅝	117⅝
Mar.	42	143½	142	143½	+1⅝	145	120½
May	142½	143½	142¼	143½	+1	144⅝	120⅝
July	139⅜	139½	139	139⅜	– ⅛	140½	138
CHICAGO—SOYBEANS							
Sept.	247	248	246½	247¼ 247	+ ⅝to⅝	255½	224¼
Nov.	241½	242⅞	241¼	242½-⅝	+1⅝to1⅝	250	220¼
Jan.	245	246⅝	245	246⅝	+1¼	253⅝	223⅝
Mar.	248¼	249⅞	248¼	249⅞-½	+2¼to1⅝	256	226¼
May	250½	251⅝	250½	251½-⅝	+1⅞to1⅝	254	242⅝
CHICAGO—LARD							
Sept.	13.20	13.25	13.15	13.22	+ .12	16.20	12.40
Oct.	13.30	13.42	13.30	13.42	+ .22	15.45	12.27
Nov.	13.10	13.25	13.10	13.15	+ .18	14.30	11.80
Dec.	13.50	13.60	13.45	13.60	+ .25	14.50	12.47
Jan.	13.45	13.55	13.45	13.52	+ .22	13.80	12.70
KANSAS CITY—WHEAT							
New Contract:							
Sept.	213½	214½	213¼	214⅝	+⅝	224	207⅛
Dec.	219⅝	220½	219½	220⅝	+⅝	224¼	210¼
Mar.	222⅝	224	222⅝	223⅝	+⅞	224	207⅞
May	216½	218	216½	217⅝	+1	218½	201½
July				199½a	+½	200	197
MINNEAPOLIS—WHEAT							
New Contract:							
Sept.	228½	228⅞	228¼	228½-⅝	–⅝to½	229⅝	212⅞
Dec.	231⅝	231⅝	231¼	231⅝	–¼	232⅝	214⅝
May	....	....	....	231¼a	–⅛	231	228
MINNEAPOLIS—OATS							
Sept.	59½	59⅝	59½	59⅝	unch	65¼	59
Dec.	62½	62⅝	62½	62⅝	+⅛	63¼	61⅝

	Open	High	Low	Close	Change	Season's High	Season's Low
MINNEAPOLIS—RYE							
Sept.				124n	unch	126	117
MINNEAPOLIS—FLAXSEED							
Sept.	328	328	325½	325½	–2½	330	302
Dec.	332½	332½	330	332	–2	335	320
WINNIPEG—RYE							
Oct.	115¼	117⅛	115¼	116⅝	+1	135⅝	99½
Dec.	117½	119⅝	117½	118⅞	+1¼	121¼	100⅝
May	122½	124⅝	122½	124⅛	+1¼	126⅛	110½
WINNIPEG—OATS							
Oct.	70	70	70	70	....	76⅝	68
Dec.	68⅞	68⅞	68⅞	68⅞	....	76⅝	67⅝
May	70	70	69⅞	69⅞	....	71⅝	69¼
WINNIPEG—BARLEY							
Oct.	97	97	96⅝	96⅝	–⅛	102⅝	90¼
Dec.	93⅝	93½	93⅝	93⅝	+⅛	95¼	89¼
May	94⅝	94⅝	94¼	94⅛	....	96⅝	91⅝
WINNIPEG—FLAXSEED							
Oct.	277	280¼	277	280¼	+2½	300	234
Dec.	272	275	272	275	+2⅝	286	229
May	276	278¼	276	278	+2	290½	233¼

NEW YORK—CRUDE SOYBEAN OIL

Closings: September, 11.51b-11.57a; October, 11.55b-11.65a; December 11.57b-11.65a; January, 11.60b-11.65a; May, 11.60b-11.70a. No sales.

NEW YORK—COTTONSEED OIL	Open	High	Low	Close	Change	Season's High	Season's Low
Sept.	15.06	15.24	15.06	15.23b	+ .17	16.97	13.75
Oct.	15.15	15.23	15.15	15.23b	+ .19	16.36	14.21
Dec.	15.15	15.23	15.15	15.23	+ .17	16.20	14.26
Mar.	15.22	15.38	15.22	15.34b	+ .20	16.25	14.33
May	15.23	15.31	15.23	15.37b	+ .19	15.93	14.30
July	15.35	15.37	15.35	15.37	+ .22	15.84	14.40

Closings: January, 15.23n; September, 15.25b-15.40a. Sales: 130 contracts.

CHICAGO—CRUDE SOYBEAN OIL	Open	High	Low	Close	Change	Season's High	Season's Low
Sept.	11.40	11.53	11.40	11.51-.50	+ .12to.11	13.05	10.93
Oct.	11.42	11.56	11.42	11.55	+ .15	12.48	10.79
Dec.	11.39	11.58	11.39	11.57	+ .19	12.11	10.74
Jan.	11.45	11.61	11.45	11.61	+ .17	12.10	10.67
Mar.	11.46	11.63	11.46	11.62	+ .16	12.12	10.74
May	11.47	11.64	11.47	11.62b	+ .17	11.80	11.23

MEMPHIS—MEAL

COTTONSEED MEAL: Sales: No tons. Closing quotation per ton follow: September $50.50b-51.50a, October $50.50-51.25a, December $50.50b-51.25a, January $50.50b-51.00a, March $50.60b-51.10a, May and July $50.75b-51.25a.

SOYBEAN MEAL: Sales: 1,900 tons. August $53.75b-54.75a, September $50.75 flat, October $48.40b-48.50a, December $48.50 flat, January $48.50b-48.90a, March $49.00b-49.75a, May $49.50b-50.25a, July $50.00b-50.75a.

CHICAGO—MEAL

Closing quotations per ton follow: August, $53.75b-53.80a; September, $50.35; October, $48.35b-48.40a; December, $48.50; January, $48.75b-48.90a; March, $49.30; May, $50.10.

NEW YORK—COTTON	Open	High	Low	Close	Change	Season's High	Season's Low
Oct.	33.94	33.96	33.88	33.92b	+ .02	35.36	29.60
Dec.	33.93	33.97	33.87	33.91	....	35.27	30.25
Mar.	34.08	34.09	34.02	34.09	+ .05	35.37	32.41
May	34.06	34.07	34.03	34.06	+ .05	35.39	32.50
July	33.62	33.62	33.57	33.60b	+ .02	35.08	32.25
Oct.	32.73	32.85	32.70	32.85	+ .18	34.36	30.95
Dec.	32.68	32.79	32.64	32.79	+ .19	34.35	32.14
NEW ORLEANS—COTTON							
Oct.	33.91b	33.98	33.91	33.95	+ .04	35.37	30.40
Dec.	33.90b	33.07	33.90	33.97	+ .07	35.25	30.31
Mar.	34.04b	34.09	34.03	34.08b	+ .05	35.35	32.50
May	34.02b	34.05	34.05	34.07b	+ .06	35.35	32.66
July	33.58b	33.58	33.55	33.61b	+ .06	35.06	32.37
Oct.	32.72b	32.87	32.75	32.85	+ .14	34.34	31.00
Dec.	....	32.74	32.68	32.78b	+ .18	34.31	32.19

NEW YORK—BURLAP

No sales. Closings: November 10.45b, February 10.35b, May 10.25b, August 10.20b.

	Open	High	Low	Close	Change	Season's High	Season's Low
NEW YORK—WOOL TOPS							
Oct.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	151.5
Dec.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	159.0
Mar.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	172.0
May	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	175.0
July	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	173.0
Oct.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	183.5
Dec.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	182.5
NEW YORK—WOOL							
Oct.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	121.5
Dec.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	133.9
Mar.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	139.5
May	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	144.0
July	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	142.5
NEW YORK—COCOA							
Sept.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	20.90
Dec.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	21.42
Mar.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	21.87
May	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	22.65
July	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	24.70

Sales: [illegible] lots. September 1958 closed at 30.37n.

	Open	High	Low	Close	Change	Season's High	Season's Low
NEW YORK—SUGAR Contract 6							
Sept.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	5.58
Nov.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	5.55

Sales: [illegible] cars. Closings: March 5.49n, May 5.51n.

	Open	High	Low	Close	Change	Season's High	Season's Low
NEW YORK—SUGAR Contract 4							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3.21
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3.40
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3.65
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3.54
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3.55
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3.59
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	3.59
NEW YORK—COFFEE Contract M							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	61.60
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	59.00
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	58.70
NEW YORK—COFFEE Contract B							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	50.50
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	50.05
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	48.60
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	47.52
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	46.55
CHICAGO—ONIONS							
Nov.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1.26
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1.39
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1.48
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1.60
CHICAGO—EGGS							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	30.85
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	31.65
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	32.50
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	33.50
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	33.15

CHICAGO (Storage)—BUTTER

[illegible]

	Open	High	Low	Close	Change	Season's High	Season's Low
NEW YORK (Maine)—POTATOES							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2.11
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2.44
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2.50
NEW YORK—HIDES							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	11.77
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	12.02
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	12.30
NEW YORK—RUBBER Rex							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	28.65
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	29.05
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	28.70
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	30.05
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	31.10
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	31.55
NEW YORK—ZINC							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	9.56
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	9.50
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	9.78
NEW YORK—STRAITS TIN							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	93.75

Sales: [illegible] 93.62½ [illegible] 93.50b.

NEW YORK—LEAD

[illegible] 14.00b [illegible]

	Open	High	Low	Close	Change	Season's High	Season's Low
NEW YORK—COPPER							
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	25.95
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	25.60
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	25.55
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	25.75

b-Bid. a-Asked. n-Nominal.

Dividend News

St. Joseph Lead directors declared a dividend of 37½ cents on the common stock, payable September 10 to stock of record August 23. The company paid 50 cents in June. Prior to that the company paid 75 cents at quarterly intervals.

Dividends Reported August 16-17

Company	Period	Amt.	Payable date	Record date
Amer Locker Cl A		z.10	9– 7–57	8–23
Ampco Metal	Q	.12½	9–27–57	9–13
Asbestos Corp Ltd	Q	.25	9–27–57	9– 6
Associated Spring		z.45	9–10–57	9– 2
Bessemer Lime & Cmnt	Q	.50	9–12–57	8–29
Bessemer Lime & Cmnt pf	Q	.30	10– 1–57	9–16
Calif Elec Pwr $2.50 pf	Q	.63	10– 1–57	9–13
Can Gen Sec Ltd A & B		.25	9–16–57	8–30
Canadian Gen Elec Ltd		z2.00	10– 1–57	9–16
Can Wire&Cable Ltd cl A	Q	1.00	9–14–57	8–31
Can Wire&Cable Ltd cl B		z.20	9–14–57	8–31
Cen Fibres vtg & non-vtg	Q	.25	9–12–57	8–30
Cen Fibres pf	Q	.37½	9–12–57	8–30
Central Maine Power		z.35	9–30–57	9–10
Central Maine Pr 3.5% pf	Q	.87½	10– 1–57	9–10
Central Maine Pr 4.6% pf	Q	1.15	10– 1–57	9–10
Central Maine Pr 4.75% pf	Q	1.18¾	10– 1–57	9–10
Central Maine Pr 6% pf	Q	1.50	10– 1–57	9–10
Certain Teed Prods		z.15	9–20–57	9– 3
Citizens Utils "B"		z.22½	9–13–57	9– 6
Consol Cement	Q	.20	9–30–57	9–16
Diamond Alkali	Q	.45	9–10–57	8–26
Driver-Harris		z.50	9–12–57	8–30
East Tennessee Nat. Gas		z.15	10– 1–57	9–15
El Paso Elec	Q	.25	9–16–57	8–26
El Paso Elec. $4.12 pf	Q	1.03	10– 1–57	8–26
El Paso Elec $4.50 pf	Q	1.12½	10– 1–57	8–26
El Paso Elec $4.72 pf	Q	1.18	10– 1–57	8–26
El Paso Elec $5.40 pf	Q	1.35	10– 1–57	8–26
General Contract	Stk	2%	10– 1–57	9– 6
General Box Co.		z.02	10– 1–57	9– 9
Genl Contr 5% pf par $100	Q	1.25	10– 1–57	9– 6
Genl Contr 5% pf par $20	Q	.25	10– 1–57	9– 6
General Contract 6% pf	Q	.15	10– 1–57	9– 6
Harris Tr & Saving Bk	Q	3.00	10– 1–57	9–16
Heywood Wakefield		d.25	9–10–57	8–28
Heywood-Wakefield B pf	Q	.31	9– 3–57	8–21
Holly Sugar		z.30	11– 1–57	9–30
Holly Sugar 5% pf	Q	.37½	11– 1–57	9–30
Illinois Central RR		z1.00	10– 1–57	9– 4
Imperial Tob. of Canad		z.12½	9–30–57	8–30
Imperial Tob of Can. pf	S	3%	9–30–57	8–30
Kansas City Southern Rwy	Q	.75	9–16–57	8–30
Kansas City Southern Rwy	E	.25	9–16–57	8–30
Kansas City So Rwy 4% pf	Q	.50	10–15–57	9–30
Kennecott Copper		q1.50	9–23–57	8–30
(q)—Distribution.				
Keystone Custodian Fd B-4		k.28	9–15–57	8–31
(k)—Distribution from net investment income.				
Keystone Custodian Fd S-1		j1.15	9–15–57	8–31
(j)—Distribution of 24 cents from net investment income and 91 cents from net realized profits.				
Lexington Venture Fund		h.03	9–16–57	8–30
(h)—From net investment income.				
Madison Gas & Electric		z.45	9–16–57	8–23
Maryland Shipbldg & Drydk	Q	.31¼	10– 1–57	9–13
Maryld Shpbldg & Drydk pf	Q	1.12½	10– 1–57	9–13
Michigan Gas & Elec		z.50	9–30–57	9–16
Michigan G & E 4.40% pf	Q	1.10	11– 1–57	10–16
Michigan G & E 4.90% pf	Q	1.22½	11– 1–57	10–16
Michigan Sugar 6% pf		v.30	9– 9–57	8–30
(v) Company changes dividend from stock to cash.				
Molybdenum of Amer		z.15	10– 1–57	9– 9
Nat'l Standard		z.40	9–25–57	9–13
Nat'l Standard	E	.10	9–25–57	9–13
Ohio Wtr Serv	Q	.37½	9–30–57	9– 6
Ohio Wtr Serv	Stk	2%	9–30–57	9– 6
Old Town Corp. pf		(omitted 8-13-57)		
Peninsular Metal Prods		z.25	9–25–57	9–11
Peter Paul, Inc.	Q	.50	9–10–57	8–23
Reliance Mfg of Ill	Q	.30	9– 9–57	8–29
Reliance Mfg of Ill 3½% pf	Q	.87½	10– 1–57	9–20
Silknit Ltd		z.25	9–13–57	8–30
Spear & Co. 1st pf		r1.37½	9– 3–57	8–27
(r) In arrears.				
St Joseph Lead		d.37½	9–10–57	8–23
Sou Calif Edis orig pf	Q	.60	9–30–57	9– 5
Sou Calif Edis 4.32% pf	Q	.27	9–30–57	9– 5
Southwestern G&E 5% pf	Q	1.25	10– 1–57	9–16
Southwestern G&E 4.65% pf	Q	1.16¼	10– 1–57	9–16
Southwestern G&E 4.28% pf	Q	1.07	10– 1–57	9–16
Standard Tube cl B		z.10	9–16–57	8–30
State Bank of Albany	Q	.40	10– 1–57	9– 3
Standard Register	Q	.30	9–10–57	8–30
Sunbeam Corp		z.35	9–27–57	9–17
Texas Pwr&Lt $4.56 pf	Q	1.14	11– 1–57	10–10
Texas Utilities		z.36	10– 1–57	9– 3
Title Insurance & Tr L.A.	Q	.37½	9–10–57	9– 1
Traders Finance Ltd A & B	Q	.60	10– 1–57	9– 9
Upson Co.		z.30	10– 4–57	9–20
Vir Elec & Pwr		z.25	9–20–57	8–30
Vir Elec & Pwr $5 pf	Q	1.25	9–20–57	8–30
Vir. Elec & Pwr $4.04 pf	Q	1.01	9–20–57	8–30
Vir. Elec & Pwr $4.20 pf	Q	1.05	9–20–57	8–30
Vir. Elec & Pwr $4.12 pf	Q	1.03	9–20–57	8–30
Victoria & Grey Tr	Q	.25	9–14–57	8–31

Stocks Ex-Dividend August 20

Company	Period	Amt.	Payable date	Record date
Amer Mach & Foundry	Q	.30	9–10–57	8–23
Amer Steel Fdries	E	.50	9–13–57	8–23
Amer Steel Fdries		.60	9–13–57	8–23
Clark Controller		.25	9–14–57	8–26
Clark Equipment	Q	.50	9–10–57	8–23
Cooper-Bessemer	Q	.40	9– 6–57	8–23
Copperweld Steel		.50	9–10–57	8–23
Copperweld Steel 5% pf	Q	.62½	9–10–57	8–23
Copperweld Steel 6% pf	Q	.75	9–10–57	8–23
Dist. Corp-Seag. Ltd	Q	.30	9–14–57	8–24
Drewrys Ltd U.S.A. Inc	Q	.40	9–10–57	8–23
Eagle-Picher	Q	.55	9–10–57	8–23
Federal-Mogul-Bower Bear		.60	9–10–57	8–23
Hamilton Watch cv pf	Q	1.00	9–13–57	8–23
Hamilton Watch	Q	.35	9–13–57	8–23
Harshaw Chem		.25	9–11–57	8–23
Hershey Chocolate	Q	.50	9–13–57	8–23
Int'l Cigar Machinery	Q	.25	9–10–57	8–23
Int'l Paper	Q	.75	9–16–57	8–23
Int'l Paper $4 pf	Q	1.00	9–16–57	8–23
Iowa Pow & Light	Q	.40	9–26–57	8–23
Jaeger Machine		.28	9–10–58	8–23
Jefferson Lake Sulphur	Q	.40	9–10–57	8–23
Johnson & Johnson	Q	.35	9–11–57	8–23
Libby-Owens-Ford Glass		.90	9–10–57	8–23
Lone Star Gas	Q	.45	9– 9–57	8–23
Lone Star Gas cv pf	Q	1.21	9–15–57	8–23
Lynch Corp		.15	9–10–57	8–26
Magnavox Co	Q	.37½	9–14–57	8–23
Missouri Pub Serv	Stk	1½%	9–12–57	8–26
Missouri Pub Serv	Q	.18	9–12–57	8–26
Mohasco Ind 3½% pf		.87½	9– 3–57	8–23
Mohasco Ind 4.20% pf		1.05	9– 3–57	8–23
Monsanto Chemical	Q	.25	9–26–57	8–24
Pacific Tin Consol		.10	9–10–57	8–23
Pennsalt Chemicals	Q	.40	9–14–57	8–23
Porto Rico Tel	Q	.40	9–27–57	8–23
Pullman Inc	Q	.75	9–14–57	8–23
Ranco Inc	Q	.30	9–16–57	8–23
Sears Roebuck	Q	.25	10– 2–57	8–23
Serrick Corp cl B	Q	.25	9–16–57	8–26
Shoe Corp Amer	Q	.25	9–14–57	8–23
Simonds Saw & Steel		1.10	9–14–57	8–23
St Joseph Lead		.37½	9–10–57	8–23
Texas Gulf Sulphur		.50	9–16–57	8–23
Tilo Roofing Inc		.30	9–16–57	8–23
United Elect Coal	Q	.40	9–10–57	8–23
U. S. Freight	Q	.12½	9–20–57	8–23
U. S. Freight	E	.37½	9–20–57	8–23
Washington Wtr Pwr	Q	.47	9–13–57	8–23

A, annual; Ac, accumulations; E, extra; F, final; G, interim; In, initial; Liq, Liquidation; M, monthly; Q, regular quarterly; R, resumed; S, semi-annual; Sp, special.

z-Unchanged from previous quarter. c-Increased dividend. d-Reduced dividend.

Foreign Exchange

Friday, August 16, 1957

	Friday	Prev. Day
Canada (Free Dollar)	1.05 55-64	1.05 45-64
England (Pound)	2.78⅛	2.78 9-32
30-day Futures	2.77⅞	2.77 9-32
90-day Futures	2.75⅞	2.76 1-16
Transferable	2.7580	2.7645
Switch (or Security)	2.64	2.68½
Australia (Pound)	2.22⅝	2.22 11-16
New Zealand (Pound)	2.77¼	2.77 5-16
South Africa (Pound)	2.78⅝	2.78 11-16
Belgium (Franc)	.0198½	.0198 13-16
Holland (Guilder)	.2612	.2612
Switzerland (Franc)	.2334	.2334
West Ger. DM (Freely Convert.)	.2384	.2384
DM (Liber. Cap.)	.2415	.2426
DM (Lim. Convert.)	.2366	.2369
LATIN AMERICA:		
Argentina ("Free" Peso)	.0234	.0236
Brazil ("Free" Cruzeiro)	.0136	.0138
Chile ("Free" Peso)	.0016	.0016
Colombia ("Free" Peso)	.1725	.1725
Mexico (Peso)	.0802	.0802
Peru (Sol)	.0528	.0528
Uruguay ("Free" Peso)	.2460	.2450
Venezuela (Bolivar)	.3000	.3000
NEAR EAST:		
Iraq (Dinar)	2.79⅝	2.79⅝
Lebanon (Pound)	.3175	.3175
FAR EAST:		
India (Rupee)	.2087	.20875
Pakistan (Rupee)	.20905	.2091
Hong Kong (H. K. Dollar)	.1735	.1735

These buying prices were quoted at 4 p.m. by the First National City Bank of New York for foreign banknotes (official rates in parenthesis where officially-sanctioned fluctuations are too small to warrant daily comparison):

	Friday	Prev. Day
England (Pound)	2.50	2.55
France (Franc) (.0024)	.00210	.00230
Holland (Guilder)	.2450	.2500
Italy (Lira) (.00161)	.00155	.00159
Spain (Peseta) (.0236)	.0185	.0190
Germany (DM)	.2325	.2350
Argentina (Peso)	.0220	.0220
Brazil (Cruzeiro)	.0125	.0125
Chile (Peso)	.00125	.00125
Colombia (Peso)	.1500	.1500
Uruguay (Peso)	.2300	.2350
Egypt (Pound) (2.881)	1.60	1.70
Turkey (Lira) (.3575)	.0600	.0700
India (Rupee)	.1900	.1900
Pakistan (Rupee)	.1300	.1300
Hong Kong (H. K. Dollar)	.1500	.1500
Japan (Yen) (.0028)	.00240	.00240
Philippines (Peso) (.4992)	.2800	.2800

Inactive currencies: Cuba (1.001); Denmark (.1452); Iran (.0135); Norway (.1403); Portugal (.0350); Sweden .1937).

London Exchange Rates

LONDON—The following exchange rates have been quoted: New York; 2.78¼-2.78 5-16. Canada was 2.63⅛-2.63¼.

Cotton Statistics

Volume of trading and open contracts for the New York Cotton Exchange, as reported by the Commodity Exchange Authority, for Thursday, August 15, 1957, follow (in 500 pound bales):

	Volume	Open contract	a-Chgs.
October, 1957	2,000	171,500	no change
December	13,600	270,400	+ 800
March, 1958	3,500	133,900	– 400
May	3,300	148,500	+ 600
July	2,500	107,800	no change
October	5,100	109,400	– 400
December	1,700	35,600	+ 700
Total	31,700	997,100	+1,300

a-Change from Wednesday' close.

Washington Water Power

WASHINGTON WATER POWER CO. reports for seven months ended July 31:

	1957	1956	1955
Earned per share	$1.41	$1.29	$1.20
Operating revenues	16,610,831	15,460,639	14,349,330
a-Net income	3,291,354	3,014,057	2,803,412
Capital shares	2,342,411	2,342,411	2,342,411
Twelve months ended July 31:			
Earned per share	$2.41	$2.20	$1.99
Operating revenues	27,320,017	25,352,169	23,620,615
a-Net income	5,641,683	5,144,262	4,660,238

a-After taxes, charges and deferred federal income taxes due to accelerated amortization of certain facilities.

Digest of Earnings Reports

A summary of corporation reports appears below. Further details of the larger and more widely held companies appear elsewhere in this issue. Unless otherwise noted Federal taxes have been deducted in arriving at net income.

Sunday, August 18, 1957:

Company:	Period	Net Income 1957	Net Income 1956	Earnings Per Common Share 1957	Earnings Per Common Share 1956
Amerace Corp.	6 mos. June 30	815,406	733,004	1.31	1.15
American Factors, Ltd.	6 mos. June 30	852,986	619,558	1.71	1.24
Ann Arbor R. R.	7 mos. July 31	145,109	274,813	....	....
Arkansas Power & Light	12 mos. July 31	7,878,708	5,629,384	....	....
Ayrshire Collieries Corp.	Year June 30	j3,213,104	2,528,323	a4.89	a4.04
Benguet Consolidated, Inc.	6 mos. June 30	n1,073,732	922,535	.09	.07
Birdsboro Steel Fdry & Mach	6 mos. June 30	376,237	383,119	.19	.19
British Industries Corp.	6 mos. June 30	225,233	151,819	.89	c.60
Carolina Power & Light	12 mos. July 31	10,909,796	9,886,572	a1.75	a1.71
Central Ill. Pub. Service	12 mos. July 31	9,156,121	9,190,283	b2.37	b2.47
Central Maine Power Co.	12 mos. July 31	6,566,594	6,437,338	1.71	1.67
Champion Paper & Fibre	Quar. June 30	3,281,004	3,699,855	.72	.81
Chicago Great Western Rwy.	7 mos. July 31	2,112,642	1,944,913	....	....
Citizens Utilities Co.	Quar. June 30	306,000	267,000	.30	c.26
Citizens Utilities Co.	6 mos. June 30	584,000	515,000	.57	c.50
Citizens Utilities Co.	12 mos. June 30	1,195,000	1,061,000	1.16	c1.03
Consolidated Rock Products	6 mos. June 30	793,136	1,212,016	.83	1.27
Corson (G. & W. H.), Inc.	6 mos. June 30	375,291	363,923	.85	.86
Crown Central Petroleum	6 mos. June 30	393,785	439,599	....	....
Florida East Coast Rwy.	6 mos. June 30	d95,306	9,828	....	....
Florence Stove Co.	28 wks. July 13	d248,598	h212,783	....	....
Household Finance Corp.	6 mos. June 30	11,922,833	10,470,711	1.51	g1.31
Houston Lighting & Power	12 mos. July 31	18,000,405	16,303,481	2.61	c2.36
Houston Oil Field Material	6 mos. June 30	342,798	648,936	.37	c.74
Indianapolis Power & Light	6 mos. June 30	3,991,189	3,955,779	1.09	1.07
Indianapolis Power & Light	12 mos. June 30	7,648,987	7,460,513	2.07	2.01
Industrial Enterprises, Inc.	6 mos. June 30	544,140	m486,031	1.77	c1.58
Lilly (Eli) & Co.	6 mos. June 30	17,731,540	16,449,319	a2.24	a2.11
Lionel Corp.	6 mos. June 30	p31,053	537,820	....	.75
Miami Copper Co.	Quar. June 30	760,500	.....	1.02	....
Miami Copper Co.	6 mos. June 30	1,570,400	5,207,800	2.11	7.01
Michigan Gas & Electric	Quar. June 30	188,401	188,698	1.11	1.11
Michigan Gas & Electric	12 mos. June 30	692,717	671,886	4.05	3.91
Monon R. R.	7 mos. July 31	289,745	429,661	....	....
Nashville, Chatt. & St. L. Rwy.	6 mos. June 30	505,788	1,220,668	1.97	4.77
Niagara Frontier Transit Sys.	6 mos. June 30	148,898	....	....	....
Norden-Ketay Corp.	6 mos. June 29	372,000	d680,513	.29	....
Northern Natural Gas	6 mos. June 30	8,775,141	8,166,237	2.21	2.05
Northern Natural Gas	12 mos. June 30	15,008,670	13,723,344	3.73	3.38
Pacific Indemnity Co.	6 mos. June 30	d1,251,361	d102,136	....	....
Purex Corp., Ltd.	fYear June 30	1,900,000	1,001,249	a2.38	a1.59
Reed Roller Bit Co.	6 mos. June 30	698,053	1,075,518	a1.04	a1.63
Skil Corp.	6 mos. June 30	610,046	702,591	1.41	1.62
Sonotone Corp.	6 mos. June 30	k452,499	426,506	.42	c.38
Tonopah Mining Co. of Nevada	6 mos. June 30	21,346	23,789	.02	.03
United Elastic Corp.	6 mos. June 30	1,027,246	958,394	2.53	2.36
United Utilities, Inc.	6 mos. June 30	1,555,482	1,226,333	b.88	b.81
Universal-Cyclops Steel	6 mos. June 30	2,001,565	1,736,707	g2.01	g1.74
Virginia Elec. & Power	12 mos. July 31	22,768,000	20,374,000	1.41	g1.35
Washington Water Power	7 mos. July 31	3,291,354	3,014,057	1.41	1.29
Washington Water Power	12 mos. July 31	5,641,683	5,144,262	2.41	2.20

(a) Based on shares outstanding at close of the period. (b) Based on average number of shares outstanding during the period. (c) Based on shares now outstanding. (d) Net loss. (e) On preferred shares. (f) Preliminary report. (g) Adjusted to reflect stock split or stock dividends. (h) Net loss after giving effect to $230,000 income tax credit. (j) Includes $194,700 non-recurring income. (k) Includes special credit of $105,376. (m) Pro-forma statement. (n) Before deducting $215,000 charged against income (rather than as capital expenditure which would be normal) refunds payable on settlement of chrome contract litigation. (p) Net loss after tax credit.

How Companies Are Doing . . . Earnings

Household Finance Net Topped 1956 by 13.9% In First Half of 1957

By a WALL STREET JOURNAL *Staff Reporter*

CHICAGO—Net income of Household Finance Corp. for the six months ended June 30, increased 13.9% over the like year ago period on a 12.6% gain in gross income, B. E. Henderson, chairman, and H. E. MacDonald, president, said.

Net income was the equivalent of $1.51 a common share, after preferred dividend requirements, compared with $1.32 a share for the six months ended June 30, 1956. Per share earnings in the 1956 period have been adjusted to reflect the 5% stock dividend paid last December.

Customer notes receivable as of June 30, totaled $556.5 million, an 11.15% increase over a year earlier. Net writeoffs during the first half amounted to 0.54% of the average amount of receivables outstanding compared with 0.35% in the first half last year.

At the end of June, the firm was operating 857 branch offices, 619 in the United States and 238 in Canada. Twenty-five new offices were opened in the six months and Household plans to open an additional 40 during the rest of the year, they said.

HOUSEHOLD FINANCE CORP. and consolidated subsidiaries report for six months ended June 30:

	1957	1956	1955
a-Earned per com sh	$1.51	b-$1.31	b-$1.07
Gross from operations	62,626,684	55,595,742	47,406,936
Net bef inco taxes	24,877,804	23,361,961	18,520,680
U. S. & Canada inc tax	12,954,971	12,891,250	10,217,253
Net income	11,922,833	10,470,711	8,303,427
Net after pfd divs.	11,357,405	9,897,238	7,721,710
Common shares	7,537,489	7,170,397	6,827,227

a-After preferred dividend requirements. b-Adjusted to reflect payment of a 5% stock dividend in December, 1956.

For the quarter ended March 31, last, the company reported net income of $5,740,144, equal to 72 cents a common share, compared with net income of $4,811,278, or 60 cents a common share, in the like 1956 period.

Balance sheet items of Household Finance Corp. and consolidated subsidiaries follow:

	June30,'57	June30,'56	June30,'55
Total assets	$574,506,751	$517,598,647	$420,448,501
Cash	30,885,680	23,384,479	23,913,223
Canadian Govt secs	1,047,318	......	......
Instal notes rec., net	530,373,309	476,626,881	387,139,049
Current assets	562,306,307	507,019,643	411,052,272
Bank notes pay. curr.	81,939,500	61,997,985	91,334,540
Current liabilities	103,430,674	92,854,075	108,311,475
Long-term debt	311,000,000	281,500,000	187,000,000
Capital surplus	10,747,293	5,220,468	479,662
Earned surplus	42,002,030	37,799,831	28,408,003
$3.75 pfd shrs, par $100	100,000	100,000	100,000
$4 pfd shares, par $100	87,800	89,450	91,432
$4.40 pfd shrs, par $100	91,750	94,000	96,000
Com shrs, stated val $9	7,537,489	7,170,397	6,827,227

Eli Lilly & Co.

ELI LILLY & CO. and subsidiaries report for six months ended June 30:

	1957	1956
a-Earned per common share	$2.24	$2.11
Net sales	100,569,950	90,043,034
Net income after taxes	17,731,340	16,449,319
Combined Cl A & B com shares	7,898,053	7,801,135

a-Based on combined Class A and B common shares, after allowing for preferred dividend requirements.

For quarter ended March 31, last, net income was $11,294,017, equal to $1.43 a share on combined 7,844,853 shares of Class A and B common stocks, compared with $8,311,157 or $1.06 a share on combined 7,747,520 shares in like period of preceding year.

Eugene N. Beesley, president of Eli Lilly & Co., said the company's normal production of influenza vaccine is being increased approximately 70 times in order to help meet a possible epidemic this fall of the Asiatic flu. The company has constructed several additional frame buildings and added some 200 employes to accomplish the increased production. By the end of September, production is expected to reach a million doses a week.

Two new Lilly products will be marketed within a month. One, called Darvon, is to be used as an analgesic, and while it is as effective as codeine, it is non-narcotic, Mr. Beesley said. The second, Hygromix, is the first antibiotic known to have broad spectrum activity against internal parasites in swine, Lilly claims.

Railroad Reports

Santa Fe Rwy.

ATCHISON, TOPEKA & SANTA FE RAILWAY reports:

	June 30,'57	June 30,'56
Cash	$40,510,910	$43,313,935
Temp cash invest	36,805,000	59,487,092
Current assets	170,188,083	188,879,321
Current liabs	85,302,895	87,372,901
a-Inv in stks, bds, etc.	1,783,343	2,122,747
Fund debt due in 6 mos	145,086	......

a-Others than those of affiliated companies.

Ann Arbor R. R.

ANN ARBOR RAILROAD reports:

	1957	1956	1955
July gross	$780,678	$794,040	$793,464
Net operating income	20,922	47,915	66,040
a-Net income	3,615	34,641	51,689
Seven months gross	5,494,052	5,536,422	5,311,887
Net operating income	233,839	382,008	443,411
a-Net income	145,109	274,813	347,535

a-After taxes and charges.

Lackawanna R. R.

DELAWARE, LACKAWANNA & WESTERN RAILROAD reports:

	June30,'57	June30,'56
Cash	$3,075,103	$3,679,285
Current assets	19,587,144	23,069,941
Current liabilities	15,764,957	14,871,526
a-Investment in stocks, etc.	5,114,799	5,140,306
Fund debt due in 6 months	1,364,987	1,451,781

a-Other than those of affiliated companies.

Lehigh Valley

LEHIGH VALLEY RAILROAD reports:

	June30,'57	June30,'56
Cash	$5,386,526	$7,343,816
Temporary cash investment	3,000,000	3,000,000
Current assets	18,238,965	19,999,251
Current liabilities	9,717,936	10,201,994
a-Investment in stocks, etc.	871,764	887,947
Fud debt due in 6 months	3,080,918	2,891,755

a-Other than those of affiliated companies.

Gulf, Mobile & Ohio

GULF, MOBILE & OHIO RAILROAD reports:

	June30,'57	June30,'56
Cash	$15,771,866	$17,634,832
Temp cash invest	2,421,658	2,416,427
Current assets	39,739,756	40,617,913
Current liabs	20,005,805	23,147,381
a-Inv. in stks, etc	124,121	135,021
Fund debt due in 6 mos	2,226,727	1,545,714

a-Other than those of affiliated companies.

Rio Grande R. R.

DENVER & RIO GRANDE WESTERN RAILROAD reports:

	June30,'57	June30,'56
Cash	$6,876,856	$7,216,022
Temp cash invest	17,799,542	12,571,900
Current assets	39,074,256	35,605,117
Current liabs	18,777,977	17,457,404
a-Inv in stks, etc.	1,334,926	1,334,926
Fund dbt due in 6 mos	3,056,220	2,721,505

a-Other than those of affiliated companies.

Chicago & North Western

CHICAGO & NORTH WESTERN RAILWAY reports:

	June30,'57	June30,'56
Cash	$1,223,471	$7,108,646
Temp cash invest	2,827,498	2,882,383
Current assets	50,960,717	52,406,744
Current liabilities	48,727,486	45,908,233
a-Invest in stocks, etc.	60,576	840,510
Fund debt due in 6 months	10,846,723	11,330,816

a-Other than those of affiliated companies.

Jersey Central

CENTRAL RAILROAD OF NEW JERSEY reports:

	June30,'57	June30,'56
Cash	$1,702,818	$1,322,443
Temp cash invest	4,337,668	1,254,246
Current assets	16,668,144	17,043,690
Current liabilities	9,276,229	9,702,096
a-Inv in stocks, bonds, etc.	1,946,736	1,987,644
Fund debt due in 6 months	1,859,946	1,792,216

a-Other than those of affiliated companies.

Chicago Great Western

CHICAGO GREAT WESTERN RAILWAY reports:

	1957	1956	1955
July gross	$3,290,527	$2,910,636	$2,855,938
a-Net income	308,523	271,166	260,860
Seven months gross	22,051,292	20,311,445	19,421,236
a-Net income	2,112,642	1,944,913	1,836,533

a-After taxes and charges.

Monon R. R.

MONON RAILROAD reports:

	1957	1956	1955
July gross	$1,887,751	$1,808,489	$1,789,555
a-Net income	49,297	49,455	79,645
Seven months gross	12,982,551	13,109,635	12,501,647
a-Net income	289,745	429,661	699,847

a-After taxes, fixed charges and contingent interest.

Reed Roller Bit

REED ROLLER BIT CO. reports for the six months ended June 30:

	1957	1956
Earned per share	$1.04	$1.63
Net sales	16,551,371	16,418,955
Net before income taxes	1,462,584	2,182,296
Net income after taxes	698,053	1,075,518
Capital shares	670,295	661,500

Miami Copper Earnings Fell Sharply to $760,500 In the Second Quarter

By a WALL STREET JOURNAL *Staff Reporter*

NEW YORK — Second quarter earnings of Miami Copper Co. declined substantially to $760,500, or $1.02 a share, on sales of $7,867,000, E. H. Westlake, president, reported.

Miami's statement was another in the series by copper producers reporting lower earnings. Many large and small companies have already reported a decline for the second quarter and the half, attributing it to the decline in copper prices.

Indicated earnings for the similar period last year showed earings of $2,955,000 on a volume of $11,487,100.

Earnings for the first half also showed a sharp drop to $1,570,400, or $2.11 a share, on sales of $14,199,300, Mr. Westlake said. In the first six months of 1956, Miami earned $5,207,800, or $7.01 a share, on sales of $20,895,800.

The president said "lower prices and a decreased volume of copper sales were responsible for the decline in earnings for the first half of 1957." He noted "there has been no improvement in the demand for copper and currently it is quoted by domestic primary producers at 28½ cents a pound as against 36 cents on January 1, 1957."

"In an endeavor to avoid an excessive accumulation of unsold metal," Mr. Westlake added, "the company has curtailed its output by shortening the work week."

MIAMI COPPER CO. and subsidiaries report for six months ended June 30:

	1957	1956	1955
Earned per share	$2.11	$7.01	$3.49
Sales of metals	14,199,300	20,895,800	15,908,600
Net after deprec, etc.	2,593,900	8,346,500	4,251,800
Income taxes	1,023,500	3,138,700	1,660,000
Net income	1,570,400	5,207,800	2,591,800
Capital shares	743,216	743,216	743,216

Net income for the quarter ended June 30, last was $760,500, after provision of $423,500 for income taxes. The net income is equal to $1.02 a share. Net sales for the period were $7,867,000.

Central Ill. Public Service

CENTRAL ILLINOIS PUBLIC SERVICE CO. reports for 12 months ended July 31:

	1957	1956	1955
a-Earned per com shr.	$2.37	$2.47	$2.24
Operating revenues	51,766,186	51,032,641	49,560,004
b-Net income	9,156,421	9,190,233	8,435,699
Net after pfd divs	8,097,921	8,131,733	7,377,199
Average com shares	3,421,100	3,293,600	3,293,600

a-Based on average number of common shares outstanding during the period, after allowing for preferred dividend requirements. b-After taxes and charges.

Benguet Consolidated

BENGUET CONSOLIDATED, INC., reports for six months ended June 30:

	1957	1956
Earned per share	$.09	$.07
Operating income	3,333,556	2,875,687
a-Net before income taxes	1,310,092	1,251,043
Income taxes	236,360	328,508
Net income	b-1,073,732	922,535
Capital shares	12,000,000	12,000,000

a-After depletion and depreciation. b-Before deducting $215,000 charged against income (rather than as capital expenditure which would be normal) refunds payable on settlement of chrome contract litigation.

Champion Paper

CHAMPION PAPER & FIBRE CO. reports for quarter ended June 30:

	1957	1956
a-Earned per com shr	$.72	$.81
Net sales	42,373,148	43,194,056
Net income aft. taxes	3,281,004	3,699,855
Common shares	4,408,000	4,408,000

a-After preferred dividend requirements. Company's fiscal year ends March 31.

Virginia Electric & Power

VIRGINIA ELECTRIC & POWER CO. reports:

	1957	1956
a-Earned per common share	$1.41	c-$1.35
July gross	10,936,000	9,916,000
b-Net income	2,123,000	1,807,000
12 months gross	124,320,000	113,851,000
b-Net income	22,768,000	20,374,000
Net after pfd dividends	19,928,000	17,793,000
Common shares	14,200,000	c-13,200,000

a-For 12 months ended July 31, after allowing for preferred dividend requirements. b-After taxes and charges. c-Adjusted to reflect two-for-one stock split in April, 1957.

Citizens Utilities Profits In 2nd Quarter Topped 1956

STAMFORD, Conn.—Second quarter earnings of Citizens Utilities Co. rose to $305,593, or 30 cents a share, from $267,000, or 26 cents a share in the like period of 1956, Richard L. Rosenthal, president, stated.

Operating revenues in the quarter, he said, totaled $1,831,000, advancing from $1,708,000 in the year-earlier quarter.

Earnings for the 12 months to June 30, were at a new high of $1,195,182, or $1.16 a common share, Mr. Rosenthal said. This was 13% above profits of $1.03 a share in the 12-month period ended June 30, 1956.

Mr. Rosenthal said the nation-wide utility—which provides electric, gas, water and telephone service in Arizona, California, Colorado, Idaho, Illinois, Maine and Vermont—looks for "favorable per share earnings" for the full year 1957.

Indianapolis Power & Light

INDIANAPOLIS POWER & LIGHT CO. and subsidiaries report for six months ended June 30:

	1957	1956	1955
a-Earned per com shr.	$1.09	$1.07	$1.01
Operating revenues	23,286,118	21,843,093	19,929,775
b-Net income	3,991,189	3,955,779	3,514,187
Common shares	3,354,964	3,354,964	3,145,278
Twelve months ended June 30:			
a-Earned per com shr.	$2.07	$2.01	$1.81
Operating revenues	44,627,061	42,233,894	38,429,088
b-Net income	7,648,987	7,480,513	6,297,417

a-After preferred dividends. b-After taxes and charges.

Sonotone Corp.

SONOTONE CORP. reports for six months ended June 30:

	1957	1956
a-Earned per com share	$.42	$.38
Sales	9,884,000	9,560,000
Net income after taxes	b-452,499	426,506

a-After preferred dividend requirements and based on 1,006,391 common shares outstanding at June 30, 1957. b-Includes special credit of $105,376.

United Elastic

UNITED ELASTIC CORP. and its wholly-owned subsidiaries report for the six months ended June 30:

	1957	1956
Earned per share	$2.53	$2.36
Net sales	13,305,193	12,206,230
Net before income taxes	2,180,430	2,011,974
Net income after taxes	1,027,246	958,394
Capital shares	405,384	405,384

Ayrshire Collieries

AYRSHIRE COLLIERIES CORP. and wholly-owned subsidiaries, and including its equity in earnings of non-consolidated affiliated companies, report for the fiscal year ended June 30:

	1957	1956
Earned per common share	$4.89	$4.04
Sales	47,137,212	38,937,592
a-Net income	b-3,213,104	2,528,323
Common shares	657,315	628,520

a-Includes equity in affiliates undistributed earnings $451,961 in 1957 and $62,257 in 1956. b-Includes $194,700 non-recurring income.

Florence Stove

FLORENCE STOVE CO. reports for 28 weeks ended July 13:

	1957	1956
Net sales	$13,364,895	$15,429,494
Loss before income taxes	248,598	442,783
Income taxes	......	c-230,000
Net loss	248,598	212,783
Capital shares	367,080	367,080

For the 16 weeks ended April 20, last, Florence Stove reported net income of $21,680, equal to six cents a share, as compared with a net loss of $121,828 in the like 1956 period.

Carolina Power & Light

CAROLINA POWER & LIGHT CO. reports:

	1957	1956	1955
a-Earned per com shr.	$1.73	$1.71	$1.58
July net income	5,510,400	5,179,366	4,726,624
b-Net income	904,063	794,616	729,186
12 months gross	64,901,103	61,728,172	56,275,299
b-Net income	10,909,796	9,886,572	8,673,900
Net after pfd divs	9,303,501	8,280,277	7,284,605
Common shares	5,330,000	4,830,000	4,600,000

a-For 12 months ended July 31, after allowing for preferred dividends. b-After taxes and charges.

Kern County Land

KERN COUNTY LAND CO. and subsidiaries reports for the six months ended June 30:

	1957	1956
Earned per share	$1.45	$1.39
Net income after taxes	5,790,000	5,571,000
Capital shares	4,000,000	4,000,000

Amerace Corp.

AMERACE CORP. and subsidiaries report for the six months ended June 30:

	1957	1956
a-Earned per common share	$1.31	$1.15
Net sales	27,330,513	30,302,520
Net before income taxes	1,320,570	1,352,974
Federal income taxes	505,164	619,970
Net income	815,406	733,004

a-As reported by company after preferred dividends.

American Gas & Electric

AMERICAN GAS & ELECTRIC CO. and subsidiaries report for 12 months ended July 31:

	1957	1956
a-Earned per common share	$2.12	$2.02
b-Net income	41,614,065	39,772,225
c-Average common shares	19,674,969	19,664,260

a-Based on average number of common shares outstanding during the period. b-After taxes, charges and preferred dividends of subsidiaries. c-Adjusted for 1½-for-1 stock split and 2% stock dividend.

Earnings for July and seven months ended July 31:

	1957	1956
July net income	$2,971,926	$2,643,826
7 months net income	25,189,508	23,608,040

Markets in Other Cities

(Dually Listed Domestic Issues Excluded)

Friday, August 16, 1957

Toronto (Canadian Funds)

Mines & Oils

Sales	Stocks	High	Low	Close	Chg.
200	Algom	19.12	19.00	19.12	+.62
13133	Am Leduc	.32	.30	.30	+.01
2000	Am Nephe	1.05	1.00	1.05	....
3300	Anacon	.99	.85	.85	−.14
200	Anglo Hur	11.00	10.00	11.00	+1.00
2080	Bailey	14.00	13.62	13.62	−.25
6600	Barnat	.27	.26	.26	−.01½
20300	Base Met	.55	.50	.50	−.04
2950	BDuq	.60	.55	.60	....
22213	Bevcon	.15	.14½	.14½	−.00½
19000	Bicroft	1.30	1.22	1.25	−.02
100	Bralorne	4.40	4.40	4.40	+.10
5300	Britalta	2.55	2.30	2.55	+.33
2000	Broul Reef	.65	.64	.65	−.03
1500	Buff Ank	.80	.76	.76	−.09
3150	Calalta	1.23	1.20	1.20	−.05
1210	Cal & Ed	30.50	29.50	30.50	+1.50
100	Calvan	4.75	4.75	4.75	....
3475	Cam Chib	8.05	7.90	8.00	−.20
100	Camp RL	5.30	5.30	5.30	+.03
400	Can Oil Ld	3.35	3.20	3.20	−.15
10000	Cdn Ad Oil	.50	.47	.50	−.02
3470	Cdn Atl Oil	7.35	7.00	7.25	+.15
4200	CdnB Emp	.65	.60	.65	+.05
6000	Cdn Devon	7.15	6.85	7.10	+.30
1000	Cdn ExGas	7.95	7.65	7.95	+.25
540	Cdn Home	2.50	2.50	2.50	....
208	CdnHusky	18.75	18.00	18.75	....
1000	Cdn Malar	.28	.28	.28	....
100	Cdn Prosp	3.45	3.45	3.45	+.30
640	Cassiar	7.00	6.90	6.95	+.10
800	Castle	3.45	3.35	3.40	−.05
500	Cayzor	6.25	6.10	6.25	+.10
17294	Cen DRio	10.62	10.37	10.50	+.25
1000	Cent Exp	2.98	2.98	2.98	+.01
2900	Chart Oil	2.95	2.85	2.93	+.03
6300	Cobalt	.39	.36	.38	+.01
35100	Coch Will	1.83	1.70	1.78	+.03
500	Coniaurum	.38	.38	.38	+.01
3080	Con Allen	.11	.10	.10	−.01
17494	Con Denis	15.50	14.62	15.50	+.62
2840	Con Disc	2.70	2.55	2.65	+.15
2065	Con E Cr	.40	.39	.39	−.01
1500	Con Guay	.15	.12	.12	−.02
200	Con Howey	2.15	2.15	2.15	+.14
1650	Con MicM	4.30	4.10	4.30	+.05
2362	Con Smelt	22.00	21.00	21.37	−.37
100	Conwest	4.50	4.50	4.50	....
3330	Cree Oil	5.30	5.10	5.30	....
2500	De Cour	.54	.52	.52	+.02
10250	Dev Pal	1.95	1.75	1.95	+.20
1000	Dome Ex	11.00	10.00	10.62	−.37
500	Dome	12.50	12.37	12.50	−.12
1100	East Mal	1.22	1.22	1.22	+.04
4120	East Sull	2.42	2.30	2.30	−.03
2577	Falcon	28.37	28.00	28.00	−.50
3250	Fargo	7.40	7.00	7.25	+.95
1947	Fla Can	8.10	7.70	8.10	+.40
6050	Frobish	2.10	1.90	2.00	+.09
3463	Galkeno	.65	.60	.60	−.01
1190	Gen PetA	4.05	4.00	4.00	....
3625	Giant Yk	3.90	3.70	3.85	−.05
1425	Gold Man	.78	.78	.78	+.03
245	Gr Plains	30.00	29.00	30.00	+1.00
3090	Gunnar	17.25	17.00	17.12	+.37
1428	Holling	27.62	27.50	27.50	+.25
2199	HomeOilA	17.75	16.12	16.62	+.62
1286	HomeOilB	16.75	16.37	16.75	+.75
3675	Hoyle	4.50	4.05	4.40	+.40
2530	Hud Bay	52.75	52.50	52.50	....
5100	Hugh Pam	.20	.19	.19	−.01
4700	Humber	1.30	1.19	1.25	+.05
6850	Int Nick	81.37	80.50	81.25	+.75
4500	Jaye Expl	.33	.30	.30	−.01
11344	Jowsey	.58	.50	.52	−.04
1500	Jupiter	3.00	3.00	3.00	+.09
500	Kerr Add	15.62	15.25	15.62	−.75
1000	Kirk Min	.35	.34	.34	....
1140	Labrad	19.50	19.25	19.25	−.25
300	L Shore	5.65	5.60	5.60	−.05
200	La Luz	3.55	3.55	3.55	−.05
300	Lamaque	2.50	2.50	2.50	+.10
1200	Leitch	1.02	.95	1.00	+.06
6400	Lib Pete	2.22	2.05	2.15	+.05
2100	LL Lac	2.10	2.05	2.10	+.05
6500	Lyndhst	.25	.22	.22½	−.00½
3000	Macassa	2.15	2.06	2.15	+.08
1000	MacDon	.38	.37	.37	−.01
5366	MacLeod	1.11	1.06	1.11	+.02
1900	Madsen	1.40	1.35	1.35	−.05
9900	Malartic	1.40	1.35	1.40	+.05
6100	Marigold	.20	.18	.18	....
100	McIntyr	89.00	87.50	87.50	−1.00
2500	McKen	.22	.18	.18	−.02
6750	Medal	4.10	3.75	4.05	+.25
9400	Merrill	1.05	1.00	1.05	−.04
90000	Midcon	.94	.80	.92	+.12
518	Min Corp	12.87	12.75	12.87	+.25
2000	Nat Pete	3.80	3.80	3.80	−.20
1500	New Cal	.25	.25	.25	−.01
1300	N Cont	.50	.50	.50	....
2000	N Dicken	1.45	1.42	1.42	+.02
1500	NGas Expl	2.20	2.15	2.20	+.05
1800	N Superior	2.10	2.00	2.02	+.02
9700	Nick Rim	2.32	2.19	2.25	−.05
300	Nipissing	1.65	1.60	1.65	+.06
820	Noranda	42.25	41.50	41.75	−.75
2650	Normetal	3.00	2.91	2.99	+.16
2150	NC Oils	5.00	4.90	4.95	....
10650	N Rank	1.20	1.13	1.20	+.09
1600	North Can	1.30	1.10	1.25	....
500	O'Brien	.50	.50	.50	....
2300	Okalta	2.10	2.05	2.10	....
4555	Opemis	9.00	8.80	9.00	+.20
4520	Pac Pete	27.75	27.12	27.50	+1.37
2000	Pamour	.44	.42	.44	+.02
2800	Pan West	.50	.45	.50	+.04
1007	Paymast	19.50	19.50	19.50	+1.50
570	Peac Riv	12.00	11.87	12.00	+.25
12940	Permo pf	3.25	2.80	3.10	−.05
10751	Petrol	.70	.65	.69	+.08
100	Pick Crow	1.00	1.00	1.00	....
500	Pioneer	1.23	1.23	1.23	....
700	Ponder	.55	.55	.55	−.03
2050	Pow Rou	.52	.50	.52	+.01
520	Preston	7.00	6.90	7.00	+.10
1100	Pronto	5.40	5.35	5.40	−.10
30695	Prov Gas	3.50	3.30	3.30	....
4300	Que Cop	.45	.39½	.45	+.07
3100	Que Lith	6.00	5.90	6.00	+.40
6825	Q Metal	1.65	1.55	1.60	−.01
1225	Quemont	10.25	10.00	10.25	+.50
5900	Radiore	.67	.60	.61	−.06
9600	Rayrock	1.32	1.26	1.26	+.01
1600	Richwil	1.50	1.45	1.50	+.03
1000	Rix Atha	.58	.58	.58	−.01
12600	Rocky Pet	.39	.35	.36	+.01
660	Royalite	18.25	18.25	18.25	....
5268	Scurry	3.20	3.05	3.15	....
13210	Secur Free	7.85	7.55	7.70	−.05
6403	Sherritt	5.10	5.00	5.10	....
1432	Sil Mill	.60	.60	.60	....
3525	Siscoe	.75	.75	.75	....
20150	Spooner	.33	.24	.33	+.01
6000	Stadcona	.25	.22	.23	−.01
17650	Stanwell	1.30	1.22	1.30	+.05
6920	SteepR	17.37	17.00	17.37	+.37
1700	Sullivan	2.35	2.30	2.35	+.05
16275	Sylvanite	1.39	1.35	1.39	+.03
2980	Teck H	1.80	1.73	1.80	+.06
4000	Tex Cal	.67	.65	.67	+.02
500	Torbrit	.32	.32	.32	−.02
2015	Triad	6.65	6.40	6.65	+.45
400	Un Keno	4.05	4.05	4.05	....
51420	Un Oils	3.10	2.75	3.05	+.30
1800	Upp Can	.60	.60	.60	−.01
723	Ventures	33.25	33.25	33.25	−.25
9000	Vico	.12	.10	.10½	+.00½
100	Violam	1.27	1.27	1.27	+.07
325	Waite Am	7.00	7.00	7.00	....
6450	W Maygill	2.30	2.22	2.30	+.10
3185	W Decal	2.10	2.05	2.05	+.01
4800	Wr Harg	1.36	1.35	1.35	....
3000	Yale Ld	.17	.17	.17	−.01
5250	Yk Bear	1.14	1.05	1.14	+.07
	CURB				
500	Bulolo	3.70	3.60	3.60	−.10
1500	Dalhousie	.27	.25	.27	+.02
990	Gaspe	20.25	20.00	20.00	−3.00
1000	Yukon Con	.62	.62	.62	−.09
	INDUSTRIALS				
205	Argus	18	18	18	....
600	Assoc Art	9¼	9⅛	9¼	....
529	Atlas Stl	22½	22	22	− ¼
4750	Bell Tel	39¾	39½	39¾	+ ¼
203	Brazil	8⅞	8⅞	8⅞	....
3460	BA Oil	49⅛	48	48⅞	−1¼
300	BC Forest	10⅞	10⅞	10⅞	+ ⅛
1670	Cdn Brew	25⅛	25	25	− ¾
25	Cdn Chem	6¼	6¼	6¼	− ⅜
100	Cdn Coll	5⅞	5⅞	5⅞	+ ⅛
684	Cdn Oil	34¼	33⅞	34¼	+ ⅛
1832	Cdn Pac	30⅞	30	30⅛	− ⅛
900	Cockshutt	8	7½	7½	....
533	Dist Seag	27	27	27	+ ⅛
205	Dom Fndry	29½	29	29½	− ½
50	Dom Magnes	13½	13½	13½	....
117	Dom Stores	49¾	49⅛	49⅛	− ⅝
25	Fanny F	18⅛	18⅛	18⅛	....
147	Ford Can A	89¾	85½	89¾	+4¾
25	Goodyear	180	180	180	+ ¼
330	GL Paper	38¼	38	38¼	....
300	GN Gas	8	8	8	....
215	Gypsum	27½	27	27½	....
1453	Imp Oil	50¼	49⅝	49⅞	− ½
205	Ind Accep	28⅛	27⅝	28⅛	+ ⅝
110	Inglis	3.65	3.65	3.65	+.15
1845	Inland Gas	9¼	8⅞	9¼	+ ⅛
500	Int Pete	45¾	45½	45½	+ ¼
3651	Int PLine	46¾	46	46⅞	+1¼
285	Lob newA	24½	23	24½	+ ⅛
628	Lob newB	23⅞	23	23⅞	+1¼
625	MacMill B	27⅝	27½	27⅝	....
1385	Massey	6⅞	6¾	6¾	....
2100	Mid West	3.00	2.80	3.00	+.30
1565	Moore	69½	68½	69	....
935	Pembina	11	10½	10⅞	− ⅛
415	Simpsons	17⅝	17¼	17⅛	− ½
355	Trad Fin A	38	37	37	− ½
1136	Trans Mt	94	91¼	94	+2⅛
610	Un Gas	68¼	66½	68	+1⅛
225	Un Steel	13⅞	13⅞	13⅞	....
42	Weston A	24½	23	23	....
125	Wpg&Cent	14	14	14	....
	BANKS				
280	Bk NScot	54	53½	53½	−1½
327	Cdn Bk Com	45¼	44¾	44⅞	− ⅝
125	Imp Bank	51½	51¼	51½	....
445	Tor Dom Bk	40½	40⅛	40⅛	− ¼

Total sales 3,361,000 shares.

Midwest

Sales	Stocks	High	Low	Close	Chg.
1600	Allied Lab	57⅝	56½	57⅝	+2¼
300	Autom Wash	⅝	⅝	⅝	....
100	Belden Mfg	33¼	33¼	33¼	− ¼
100	Borg GW	29½	29½	29½	+ ¼
400	Cdn Prospect	3½	3½	3½	+ ⅛
200	Champ Oil pf	50½	50½	50½	−3½
1300	Chi SS&SB	10¼	10	10	− ¼
500	Coleman Co	15½	15½	15½	− ½
800	Con Cement	29¼	28⅞	28⅞	− ¾
3000	Controls Am	17⅞	17⅝	17⅝	....
10100	Four Wh Dr	13⅝	13⅜	13⅜	− ⅛
100	Gen Box	2⅛	2⅛	2⅛	− ⅛
350	Gossard	16¼	16⅛	16⅛	− ⅛
100	Gt Lak Dred	38¼	38¼	38¼	+ ⅛
150	Hein Werner	12⅛	12⅛	12⅛	+ ⅛
50	Hibb Sp Bart	70	70	70	+ ¼
200	Ind Stl Prod	21	21	21	....
200	Knapp Mon	3¼	3¼	3¼	+ ⅛
550	Lindsay Chem	67	65	67	+1½
50	Medusa P Cem	51	51	51	+ ½
400	Mo Port Cem	52	51¼	52	+ ½
5	Musk Mot A	25	25	25	+ ½
3300	Napco Ind	8⅝	8⅜	8⅝	+ ⅜
500	No Am Car	34⅞	34½	34⅞	+ ⅞
2900	Nor Ill Gas	18⅛	17⅞	18⅛	+ ⅛
500	Oak Mfg	16⅛	16⅛	16⅛	+ ⅜
300	Richman Bro	24⅞	24⅞	24⅞	+ ⅛
50	StL Nat Stk	61	61	61	+ ½
300	StL Pub Sv A	11⅞	11⅞	11⅞	+ ⅛
200	Stone Cont	16⅛	16⅛	16⅛	− ⅜
650	Sundstrand	22½	21¾	22½	+1
800	Trav-Ler Rad	1⅝	1⅝	1⅝	....
100	Van Dorn Ir	14	14	14	....
600	Webcor	10¼	10¼	10¼	− ¼
500	Wisc Bankers	20½	20½	20½	+ ⅝

Total sales 109,000 shares.

Boston

Sales	Stocks	High	Low	Close	Chg.
280	Torrington	27½	27⅜	27½	− ⅛

Total sales 16,184 shares.

Pittsburgh

Sales	Stocks	High	Low	Close	Chg.
257	Pgh Brew	2½	2¼	2½	− ⅛

Total sales 1,893 shares.

Cincinnati

Sales	Stocks	High	Low	Close	Chg.
460	Baldwin Piano	18	18	18	−2
15	Cin&Sub Bell	84⅛	84⅛	84⅛	− ⅛
54	Gibson Art	53½	53½	53½	....
34	U. S. Print&L	40	40	40	....

Total sales 2,124 shares.

Detroit

Sales	Stocks	High	Low	Close	Chg.
600	Brown Mcl	3⅝	3⅝	3⅝	− ⅛
300	Cons Paper	16⅞	16⅞	16⅞	....
100	Penin Met	10⅜	10⅜	10⅜	+ ⅛
100	Riv Raisin	11⅛	11⅛	11⅛	....
300	Rudy Mfg	13⅛	13⅛	13⅛	− ½

Total sales 13,192 shares.

Salt Lake City

Sales	Stocks	High	Low	Close	Chg.
3000	Brist Silv	.15½	.15½	.15½	....
1000	Bull Mon	.25	.25	.25	−.03
58700	Col Rex	.20	.16½	.20	+.03½
400	Con Eur	.62½	.62½	.62½	....
2000	East Stand	.07	.07	.07	....
3000	Litt May	.01½	.01½	.01½	−.00½
1500	Mill Hill	.01⅝	.01⅝	.01⅝	−.00½
300	Park Kon	.02½	.02½	.02½	−.00½
4000	Silv Shield	.02	.02	.02	....

Total sales 71,900 shares.

Montreal (Canadian Funds)

Sales	Stocks	High	Low	Close	Chg.
965	Abitibi	29	28⅝	28¾	− ⅛
1205	Algoma	30½	29⅝	30½	+ ½
3301	Alumin	40	39½	39⅞	− ⅛
140	Asbestos	28½	28¼	28¼	− ¼
1236	Bank Mont	43½	42⅛	43½	+1½
50	Bath Pow A	50	50	50	....
850	Brown	15⅜	15¼	15¼	− ¼
328	B C Power	45	44	45	+1½
405	Can Cem	28	28	28	....
50	Can Malt	49½	49¼	49¼	−3¾
100	Can Stmshp	39	39	39	−1
1660	Cdn Celan	16	15⅞	16	+ ¼
100	Cdn Ind	18⅛	18⅛	18⅛	....
250	Cdn Int Pow	15⅝	15⅝	15⅝	− ⅛
310	C Int Pow pf	44½	44½	44½	+1½
10	Cdn Vickers	28	28	28	....
210	Crn ZelCan	18	18	18	− ½
460	Dist Seag	27¼	27	27¼	+ ⅛
605	Dom Bridge	24	23¾	24	+ ⅝
245	Dom Glass	63½	63½	63½	....
4250	Dom Steel	27⅛	26⅞	26⅞	− ⅛
832	Dom Tar	10¼	10	10¼	+ ⅛
470	Dom Text	7⅞	7⅞	7⅞	....
115	Dow Brew	30	30	30	....
125	du Pont Can	18½	18¼	18¼	− ½
30	Fam Play	17½	17½	17½	....
250	Fraser	24½	24	24	....
50	G S Wares	6½	6½	6½	....
115	How Smith	27½	27½	27½	....
200	Imp Tob	10⅝	10½	10½	− ¼
2697	Int Nickel	81½	80¾	81½	+1
179	Int Paper	93½	91½	93½	+1½
75	Int Util	27	27	27	....
570	Massey	6⅞	6¾	6¾	− ⅛
125	McColl	68⅛	68	68	− ½
155	Mont Loco	16⅞	16⅞	16⅞	− ⅛
175	Nat Stl Car	24½	24½	24½	....
440	Noranda	42½	42	42	+ ½
110	Ogilvie	32	31	32	+1
375	Placer	9⅜	9⅜	9⅜	....
150	Powell Riv	37	36⅜	37	+1
110	Pow Corp	64½	63	63	−3½
326	Price Br	49	49	49	....
235	Que Pow	29½	29	29½	− ½
2575	Royal Bank	68½	67¼	67½	− ½
2675	St Law Corp	14⅛	14	14	− ½
295	Shawin	85	83½	83½	−1½
510	Steel Can	63½	62⅞	63¼	+1½
81	Walker	71½	71	71	+ ½

Canadian Stock Exchange

Sales	Stocks	High	Low	Close	Chg.
1320	Con Paper	31⅞	31½	31⅝	....
150	Ford Can A	85½	85½	85½	+ ½
	MINES & OILS				
300	Cont Min	2.20	2.00	2.00	−.10
1445	Holling	27.62	27.25	27.50	+.25
4600	Montgary	1.55	1.45	1.55	+.05
1900	N Pac C&O	1.55	1.45	1.45	−.10
540	Phillips	1.52	1.43	1.52	+.03

TOTAL SALES:
Industrials 66,700 shares
Mines & Oils 383,600 shares

Pacific Coast

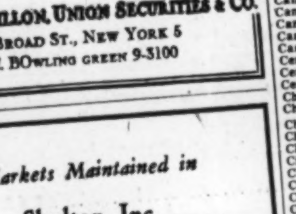
Sales	Stocks	High	Low	Close	Chg.
600	Aeco	1.70	1.65	1.65	....
400	Bandini	4½	4½	4½	....
700	Bankline	7⅝	7⅝	7⅝	+ ⅛
300	Bishop Oil	12⅞	12⅝	12⅝	+ ⅛
1600	Blair Hold	4⅛	4⅛	4⅛	+ ⅛
200	Blue Diam	15	15	15	....
200	Bolsa Chica	6⅞	6½	6⅞	+ ⅜
100	Bdwy Hale	23	23	23	....
100	Calav Cem	26⅞	26⅞	26⅞	− ⅛
350	Cal Ink	23	21	23	+2
100	Crestmont	5⅛	5⅛	5⅛	+ ⅛
300	Elec Prod	15⅛	15	15	....
1000	Exeter Oil	1.40	1.40	1.40	....
100	Friden Calc	69	69	69	+ ½
100	Gen Explor	5⅛	5⅛	5⅛	+ ⅛
1300	Hancock Oil A	47½	47	47½	....
1800	Hawai Pine	10⅞	10⅝	10⅞	+ ¼
11200	Idaho Md	.62	.62	.62	+.14
2000	Imper Dev	.17	.17	.17	....
2500	Jade Oil	.69	.65	.69	+.01
2000	MJM&M Oil	.50	.50	.50	....
16600	Norden Corp	.76	.75	.75	−.01
200	Norris Oil	2.45	2.45	2.45	+.05
1300	Occident Pet	2.30	2.25	2.25	....
500	Pac Clay	24	24	24	+ ½
400	Pac Indust	6⅛	6	6	− ⅛
400	Preserve O&G	19	18⅞	19	....
50	Rivers Cm pf	23⅛	23⅛	23⅛	+ ⅛
300	Roos Bros	38	38	38	+ ⅛
300	SoCalGaspf A	28	27⅞	27⅞	+ ⅛
100	TreeSweet	5	5	5	+ ⅛
300	Un Sugar	16⅛	16⅛	16⅛	....
600	Westates	1.40	1.40	1.40	....
200	Westates pf	12⅞	12⅞	12⅞	....
600	West D Strs	13⅞	13⅞	13⅞	− ⅛
1000	Williston	.17	.17	.17	+.01

Total sales 97,490 shares.

Philadelphia-Baltimore

Sales	Stocks	High	Low	Close	Chg.
265	Balt Transit	9¼	9⅛	9¼	+ ⅛
788	Phila Transit	7⅝	7⅛	7⅝	+ ⅝

Total sales 30,000 shares.



Over-the-Counter Weekly List

Range for the Week Ended August 16

The following bid and asked prices indicate an approximate weekly range of a group of unlisted securities traded in lesser volume. These bid and asked prices do not represent actual transactions. They are intended as a guide to the approximate range within which these securities could have been sold (indicated by the "bid") or bought (indicated by the "asked") during the preceding five market days.

Compiled by National Association of Securities Dealers, Inc.

	Bid	Ask
Acme Indus	6⅛	6⅞
Aero Serv	12	13½
Aerojet-Gen	300	330
Aeronca Mfg pf.	6½	7½
Airb Ex Intl	4⅛	4⅝
Air Ex Intl	4⅛	4⅝
Ala-Tenn N G	19¾	21½
All Am Life C.	6⅝	7⅛
Allen Bus Mach.	8⅛	9
Allyn & Bacon	8¼	9⅞
Amalg Leather	1⅛	1⅝
Am Air Fil	63	69½
Am Alloys	1⅝	2
Am Biltrite R	13	14⅝
Am Elec Sec pf.	4⅝	5⅛
Am Greet 'A'	20½	22⅛
Am Locker 'A'	4	4⅝
Am Nat Ins	13⅝	15
Am Pulley	23	26¼
Am Screw	44	50⅝
Am Shop Cen A.	2⅝	3⅛
Am Ther Prod	21	23⅝
Am Win Gl pf	15	16⅝
Amoskeag	30	33½
Ampco Metal	8⅝	9⅞
Ampex Corp	51	56
Anderson-Pr pf	48½	52½
Appl Sci Prin	24½	28⅛
Arcady Farms	8	8⅞
Atlantic Co	6⅝	7⅛
Atlantic Steel	18	20⅝
Atlas Ply pf	10⅞	13⅞
Atlas Steels	23½	25⅝
Augusta Chem	1⅞	2
Auto Banking	8½	9
Auto Merch	3¼	3⅞
Avien 'A'	2	2⅝
Avilda T&M pf.	3	3⅝
B G Foods	12⅛	13⅛
Bagdad Copper	8	9⅝
Bahamas Helic	5⅛	5⅝
Baldwin Hill	6½	7½
Bangor H-E	31½	35⅛
Bank of Va	20	21⅝
Barcalo Mfg	4¾	5⅝
Barnes Eng	6⅝	7
Baruch-Ken Oil	1⅞	2¼
Bassett Furn	19	21¼
Beauty Cons	26⅝	29⅝
Bell Co	4⅛	4⅞
Belle Isle	5⅝	6⅞
Belmont I W	39½	42½
Bibb Mfg	31½	33¾
Birdsboro St	2¼	2⅝
Borax Hold def.	3⅞	4½
Brandywine Rac.	13	15⅛
Bridgeport Hyd	30	32¼
Brilhart Plast	2	2¼
[illegible]	[illegible]	[illegible]

	Bid	Ask
Denv Chi Truck.	23¼	26¼
Dictograph	5¼	6
Diebold Inc	16⅝	17¾
Discount Cp NY.	128	136
Dixie Alum	2⅞	3¼
Dobbs Houses	40⅛	43⅝
Dole James Eng	1	1⅝
Douglas Lomas'n	8	8⅝
Drackett	6½	7½
Drackett pf	16¼	18⅝
Draper	20⅛	21⅝
Drexel Furn	22⅝	24⅝
Dum-Air M I	1⅞	2¼
duPont Can Sec.	19½	21
Eagle Oil & Ref.	2⅛	3
Eco Lab	14½	15⅛
Edgewater Stl	58½	63
Eitel-McCull	33	36⅝
Elec Hose Rub	29½	32½
Electronic Sp	9⅝	11⅛
Elox 'B'	8⅝	10⅝
ElPasoNG 2pf	104	111½
Empire Petrol	1⅛	1⅝
Equit Cr ptpf	4⅝	5⅝
Equit G 4½% pf	111	119
Erie Resistor	11	12
Exolon	35	40⅞
Fairbanks	6⅛	7
Fall River Gas	21⅝	23⅝
Farringt'n MA	8¼	10¼
Federal Bake	5⅛	6½
Fed Comp Ware.	18½	20½
Fed Oil	2⅝	3⅛
Fed Screw Wks.	18⅝	20⅝
Felters	5⅝	6⅛
Ferry Cap SS	5⅛	6⅛
1st NB Balto	48⅝	51½
1st Western BT.	33	36¼
Fitchburg GE	46½	49½
Flagg-Utica	3	3½
Fla Pub Util	10¼	11½
Flying Tig 5% pf.	6	6⅝
Foote-Burt	26	[illegible]
40 Wall St Bldg.	29½	32
Fowler Hosiery	5½	6
Fram Corp	12⅞	14
Franco Wyo Oil.	47	52
Franklin Proc	27½	[illegible]
Frigikar	6⅛	[illegible]
Fulton B&C M.	25⅛	[illegible]
Galveston-Hous	6⅛	[illegible]
Garfinkel	22½	[illegible]
General Box	2	[illegible]
Gen Man & Pr.	6⅞	[illegible]
Gen Merchand	8¼	[illegible]
Gen Minerals	2	[illegible]
[illegible]	[illegible]	[illegible]

	Bid	Ask
[illegible]	[illegible]	[illegible]

American Stock Exch.

Closing Bid and Asked Prices of Stocks Not Traded

	Bid	Asked
[illegible]	[illegible]	[illegible]

Over-the-Counter Markets

Friday, August 16, 1957

The following bid and asked quotations are obtained from the National Association of Securities Dealers, Inc., and other sources. They do not represent actual transactions. They are intended as a guide to the range within which these securities could have been sold (indicated by the "bid") or bought (indicated by the "asked") at the time of compilation. Origin of any quotation furnished on request. The "National" list is composed of securities which have a wide national distribution; the "Eastern" list comprises securities which have a wide distribution primarily in the Eastern region.

National Market

Industrial and Utility Stocks

	Bid	Asked	Prev. Bid
AMP Inc	23⅞	25⅝	23¼
Aerovox Corp	5⅝	6	5⅝
Air Products	33⅝	35⅝	33½
Am Box Board	28⅝	31⅛	28⅝
[illegible]	[illegible]	[illegible]	[illegible]
Darling L A	13	14⅛	13
Delhi Taylor Oil.	16⅝	17⅝	16
Dentists Supply	16	17½	16
Detr & Can Tunl.	13⅛	14⅝	13½
Detroit Harv	19	20⅝	19
Detr Intl Bridge.	18¼	20	18½
Dictaphone Cp	61⅝	65	62
DiNoc Chem Arts	13	14⅝	13
Disney W Prod.	22¼	24½	22¼
[illegible]	[illegible]	[illegible]	[illegible]
Kennametal	37¼	40¼	38
Kentucky Util	25⅝	27½	25⅝
Keystone Port C.	31	33½	31½
Koehring Co	22⅛	23⅝	22⅝
L-O-F Gl Fibers	13	14⅛	13
Landers Frary&C	17	18⅝	17
Lau Blower	5⅝	6⅝	5⅛
Le Cuno Oil Corp	3	3⅝	4⅛
Liberty Loan	31⅞	34⅛	31⅝
Lilly Eli B	70½	74	70½
Lithium Corp	27⅝	30⅛	27⅝
[illegible]	[illegible]	[illegible]	[illegible]
Rochester Tele	18⅞	20¼	19
Rockwell Mfg	45	48	46
Roddis Plywood	13¼	14⅝	13½
Ryder System	17	18⅝	17
San Jacinto Pet	47⅞	51⅛	48
Searle G D	45½	48⅝	45½
Seismograph Svc.	12⅝	13⅞	12⅝
Sierra Pac Pw.	22⅝	24⅞	22⅝
Skil Corp	22⅞	25⅛	22⅞
Smith Kline & Fr	65	68¼	65
South Shore Oil.	13⅝	14⅝	14⅛
Southeastn P S.	9⅝	10⅝	9⅝
[illegible]	[illegible]	[illegible]	[illegible]

Bank Stocks

	Bid	Asked	Prev. Bid
Bank of America.	35⅝	37⅝	35¼
Bankers Tr NY.	63½	66	63⅝
Cent Natl Cleve	35¼	37⅝	35¼
Chase Manh NY	50⅛	53⅝	50⅛
Chem Corn E NY	50⅝	53⅛	50⅝
Cleveland Trust	225	237	228
Cont Ill B Chgo	85¼	88⅝	85¼
First B S Mpls	32⅛	34⅝	32⅝
First NB Boston	70⅝	73⅝	70½
First NB Chgo	336	346	336
First NB Dallas.	32⅝	35⅝	32⅝
First NB St L	58½	62	58½
[illegible]	[illegible]	[illegible]	[illegible]

Insurance Stocks

	Bid	Asked	Prev. Bid
[illegible]	[illegible]	[illegible]	[illegible]

x-Ex-dividend. r-Ex-rights. z-Not available.

Eastern Market

Industrial and Utility Stocks

	Bid	Asked	Prev. Bid
[illegible]	[illegible]	[illegible]	[illegible]

Bank Stocks

	Bid	Asked	Prev. Bid
[illegible]	[illegible]	[illegible]	[illegible]

Insurance Stocks

	Bid	Asked	Prev. Bid
[illegible]	[illegible]	[illegible]	[illegible]

x-Ex-dividend. r-Ex-rights. z-Not available.

Corporation Bonds

	Bid	Asked	Prev. Bid
[illegible]	[illegible]	[illegible]	[illegible]

Mutual Funds Market

	Bid	Asked	Prev. Bid
[illegible]	[illegible]	[illegible]	[illegible]

Public Authority Bonds

	Rate	Mat.	Bid	Ask.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

New York State

Rate	Maturity	Bid	Ask	●Prev.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

a-Bid and asked prices in terms of yields.

New York City

Rate	Maturity	Bid	Ask	Yld
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

F.N.M.A. Notes & Debs.

Rate	Maturity	Bid	Asked
[illegible]	[illegible]	[illegible]	[illegible]

F.I.C. Bank Debentures

Rate	Maturity	Bid	Asked
[illegible]	[illegible]	[illegible]	[illegible]

U.S. Treasury Bills (a)

Mature	Bid	Ask	Mature	Bid	Ask
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U.S. Treasury Notes (a)

Rate	Maturity	Bid	Asked
[illegible]	[illegible]	[illegible]	[illegible]

Federal Land Bank (a)

Rate	Maturity	Bid	Ask	Yld
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U.S.Treas Ctfs Indebted

Rate	Maturity	Bid	Asked
[illegible]	[illegible]	[illegible]	[illegible]

AMERICAN STOCK EXCHANGE MOST ACTIVE STOCKS

	Volume	Close	Chge.
Five Domestic Stocks:			
Holly Corp	7,800	1½	− ⅛
Cub Am Oil	7,300	3⅞	− ⅜
Equity Cp	7,100	3⅝	....
Std Dred	6,500	6½	+ ⅛
Siboney Carib	5,700	1⅛	− ⅜
Five Foreign Stocks:			
Fargo Oils	21,000	7⅝	+ 9-16
Pac Pete Ltd	19,200	29⅞	+ ⅞
Scurry R	13,400	3 5-16	....
Cdn Atl Oil	11,700	7⅜	+ ⅛
Faraday Ur	9,700	2 5-16	+ ⅛

American Stock Exchange Transactions

Friday, August 16, 1957.

VOLUME, 570,000 SHARES

	Fri.	Thur.	Wed.	Tues.
Issues traded	477	518	525	505
Advances	178	104	74	137
Declines	130	250	294	204
Unchanged	169	164	157	164
New highs, 1957	6	1	5	2
New lows, 1957	23	60	43	22

SINCE JANUARY 1

	1957	1956	1955
Total sales	140,781,549	152,747,414	132,232,234

-1957- High	Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
		A						
3¼	1⅝	Aero Sup	5	2⅝	2⅝	2⅜	2⅜	....
10⅝	5¾	Aeronca Mfg	4	6	6	6	6	....
11⅞	8⅝	Ainsworth .20g	34	11¼	11¼	10⅞	11	....
5⅛	1⅝	AirW Ind	4	2¼	2¼	2¼	2¼	+ ⅛
1	11-16	Ajax Pet	1	13-16	13-16	13-16	13-16	+ 1-16
34⅞	28½	Ala Gas 1.60	6	28¼	28⅜	28¼	28⅜	− ⅛
5	3⅝	Alaska Airl	2	6⅝	6⅝	6⅝	6⅝	....
10	8⅝	ClaussH .60xd	z700	9⅛	9⅛	9⅛	9⅛	+ ⅛
2⅜	1⅝	Coast C Oils	22	2	2⅛	2	2	....
9⅝	7⅝	Cockshutt F	4	8⅝	8⅝	8½	8½	....
36¼	25	Colon Dev	2	29⅝	30	29⅝	30	+ 2
15½	10¼	ColonialSd .30b	1	14	14	14	14	....
27¼	23⅝	CommPSv 1.20	1	23⅝	23⅝	23⅝	23⅝	− ⅝
2⅛	1¼	Con Cuban Pet	22	1⅝	1½	1⅝	1½	− ⅛
30	22⅞	Con Mng .80a	2	22⅞	22⅞	22⅞	22⅞	− ⅜
15¼	8⅝	Con Royal .32a	26	13½	13⅝	13⅝	13⅝	....
12⅛	7⅝	Cont AirL ⅓	1	8⅝	8⅝	8	8⅝	+ ⅛
10⅝	5⅝	Cont Av&En	2	8	5½	5⅛	5⅛	....
9⅛	7⅛	HeclaMin⅛g	xd4	7⅝	8	7⅝	8	+ ½
6⅝	4⅝	HereGal .20b	5	5⅝	5⅝	5½	5½	+ ⅛
12	10⅝	Hoe&CoA 1	1	11⅝	11⅝	11⅝	11⅝	− ⅛
27⅝	24	HollGold.24a	5	28⅝	29	28⅝	29	+ ⅛
2½	1⅝	Holly Corp	78	1⅝	1⅝	1½	1½	− ⅛
24⅝	12	HomeOilA⅛	15	17½	18	17½	18	+ ⅛
24½	11	HomeOil B	18	17⅝	17⅝	17⅝	17½	+ ¼
120	107	Horn&HBk 8	z10	118	118	118	118	+ ½
59½	46½	Hubbell 2.40a	1	54½	54½	54½	54½	....
66	61½	HumbleO 1.60 xd	6	62	62⅛	62	62	+ ⅛
12	9⅝	HydElSec .45g	4	10⅝	10⅝	10⅝	10⅝	− ¼
13⅝	11⅞	Hydromet ¼f	3	13	13	13	13	+ ¼
24	17	Hygrade F 1d	4	16⅝	16⅝	16½	16½	− ½
⅛	11-16	Goldfield						
98	65½	GoodMf 2¼g	z100	86½	86½	86½	86½	− ⅜
3⅝	2⅜	GtAmIn.05g	17	2⅜	2⅜	2⅜	2⅜	+ ⅛
132	125½	GtA&P pf7	z10	126¼	126¼	126¼	126¼	− ⅝
3¼	1⅞	Gt Lak O&C	23	2⅝	2⅝	2⅝	2⅝	− ⅛
11⅝	6	Greer Hyd	2	9⅝	9⅝	9⅝	9⅝	− ¼
12⅝	8⅝	Grid Frech	14	9⅛	9⅛	8⅝	8⅝	+ ⅛
4⅝	3½	Guild Films	3	3	3	2⅞	2⅞	....
		H						
3¼	2	Harvard Inv	6	3	3	2⅝	2⅝	− ⅛
3⅞	2⅞	Hastings.10g	1	3⅛	3⅛	3⅛	3⅛	....
4½	3½	Hath Baker	2	3½	3½	3½	3½	....
2⅝	1⅝	Hav Litho	2	1½	1½	1½	1½	....
44½	30½	Hazelt 1.40b	1	34½	34½	34½	34½	....
5⅛	3½	Nat Pet	11					
10⅝	9⅝	NPres Ind .60	2	9⅝	9⅝	9⅝	9⅝	....
26⅝	17⅝	Nat Research	5	19⅝	19½	18⅝	19⅛	+ ⅛
9⅝	7	Nat Telefilm	15	8⅝	8⅝	8½	8⅝	....
2⅝	2	Nat Un Elec	14	2	2⅛	2	2⅛	+ ⅛
1 1-16	7-16	N Brist Oils	238	½	9-16	½	9-16	+ ⅛
3 5-16	1 13-16	NBrit D Oil	56	2½	2 9-16	2 7-16	2½	....
2 11-16	2	N Chamb Pet	14	2 1-16	2⅛	2 1-16	2 1-16	....
137½	131½	NEng T&T 8	z490	133⅝	133⅝	133½	133½	− ⅝
2⅛	1⅛	qNH Clock pf	z50	1½	1⅛	1⅛	1⅛	− ⅛
1⅞	1⅛	N Idria M	30	1½	1⅛	1⅛	1⅛	....
47⅝	30⅝	N J Zinc 1⅓	1	31¼	31½	31½	31½	....
16⅝	13	NMex & Ar	6	13⅝	13⅝	13⅛	13⅛	− ⅛

xr—Ex rights. xw—Without warrants. wd—When distributed. wi—When issued. nd—Next day delivery. wt—Warrants. ur—Under rule. ext—Extended voting trust agreement.

q—In bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.

Year's high and low range does not include changes in latest day's trading.

Where a stock dividend or split amounting to more than 25 per cent has been paid the year's high-low range and dividend are shown for the new stock only.

N. Y. Stock Exchange

Closing Bid and Asked Prices of Stocks Not Traded

	Bid	Asked		Bid	Asked
Hotel Cp pf			Vict CW pf	74	79
Houd Ind pf	37½	38	VaE&P 4.20 pf	85½	88
HouaF 4.40 pf	88	91	VaE&P 4.12 pf	80	83½
HouseF 4 pf	84	86	Va E&P 4.04 pf	80	81
Hud&Man pf	7½	8	Virg Ry	80	81⅝
Hunt Fds pf	78	80	Virg Ry pf wi	11⅛	11⅝
Ill Pw 4.70 pf	46	47	Waldorf Sys	13⅝	14
Ill Pw 4.42 pf	42	45	Ward Bak	14	14⅝
Ill Pw 4.26 pf	41	42	Ward Ind	9½	10
Ill Pw 4.08 pf	40⅛	41½	Warn B Pic	21	21½
Ing Rand pf	147	152	Way Knit	24½	24⅞
Int Miner pf	68	71	Welbilt Cp	2⅝	2⅝
Int Pap pf	82	86	Wess O&S	27	27⅝
Int Silver	39½	40	Wes O&S pf	42	43
Int Util	57½	57⅝	WPP pfB	82	86
Int Util wi	28½	3	WestgEl pf	79½	81½
InterDStr	29½	3	Wheel & LE	127	
Isl Crk C pf	115	116	White Dent	26⅝	27⅛
JerCPL pf	81	82½	WisEl Pw pf	116	121
Jewel T pf	77	80	Worth pf	85	86½

London Stocks Close Mixed

LONDON—Stocks traded in London closed mixed Friday with fractional changes. Some early gains were erased or reduced in late trading.

Copper issues closed firm but other base metals were mixed, Rubber and tea shares were quiet while oils were irregular.

Industrials generally were firm although interest was selective.

London Stock Averages

	London Finc. Com. Sh.	Times Index	Gov't Secur.	Reuters Indust.	Indexes Kaffirs
Aug. 16	199.8	− 0.4	72.7	231.1	71.8
Aug. 15	200.2	− 0.2	73.0	231.0	70.5
Aug. 14	200.4	− 0.3	73.0	229.6	69.4

LONDON—(AP)—British stock closings, in sterling:

Anglo-Am of S Af.	135s		
Anglo-Newfld Dev.	65s	7½d	
Assoc Elec Ind	60s	6d	
Babcock & Wilcox	73s	3d	
Blyvoors	22s	6d	
Borax Hldgs Ltd.	30s	1½d	
Bowater Pap Ltd.	38s	6d	
Brit Aluminium	58s	7½d	
Brit-Amer Tob	40s	3d	
Brit Pet Co Ltd	144s	4½d	
Burmah Oil	103s	1½d	
Central Mining	69s	4½d	
Courtaulds	32s	7½d	
Daggafontein	31s		
De Beers Def	106s	3d	
De Havilland	20s	6d	
Distillers	23s	10½d	
Dunlop Rubber	28s	3d	
Electric & M Ind	35s	6d	
Ford Ltd	36s	6d	
Free St Geduld	78s	9d	
General Elec Ltd	48s	3d	
Gt Univ Strs Ltd	52s	10½d	
Hawker Siddeley	41s		
Hudson's Bay Co.	251s	6d	
Imperial Chem	42s	3d	
Imperial Tob	41s	...	
Metal Box	55s		
Mexican Eagle	21s	10½d	
Monsanto Chem	16s	7½d	
Mount Isa Mines	29s		
Rand Mines	70s		
Rhodesian An-Am.	93s	9d	
Rhokana Corp	730s		
Rolls-Royce	116s	3d	
Shell T & T	198s	1½d	
Stewarts & Lloyd	25s	6d	
Tanganyika Conc	142s	6d	
Unilever Ltd	108s		
United Molasses	35s	4½d	
United Steel Corp.	20s	9d	
United Sua Betong	54s		
Vickers Ltd	41s	6d	
West Holdings	76s	9d	
West Reefs	27s	7½d	
Woolworth	48s	4½d	

BONDS

Brit Consols 2½s	49¼
Brit Tran 3s '78-'88	63
British War 3½s	63⅞
U.K. Funding 4s	89½
U.K. Funding 3s	80½
Austrian 4½s	81⅛
Japanese 6s 1924	168½
Jap 6s 1924 assent	105
Can Pac deb 4s	62⅝
Int'l Bank for R&D	79

United States Government Issues

New York Stock Exchange Transactions, None

Fractions represent 32nds; 101.1 means 101 1-32. c—Plus 1-64. b—Partially tax exempt. d—Yield basis.

World Bank Bonds

New York Stock Exchange Transactions, None

Corportaion Bonds

Volume, $2,650,000

New York Stock Exchange Bonds

Friday, August 16, 1957

Volume, All Issues, $2,790,000

	Foreign Fri	Foreign Thur	Domestic Fri	Domestic Thur	All issues Fri	All issues Thur
Issues traded	26	33	181	182	207	215
Advances	5	15	73	36	78	51
Declines	13	8	58	89	71	97
Unchanged	8	10	50	57	58	67
New highs, 1957	2	6	1	0	3	6
New lows, 1957	2	3	12	31	14	34

SINCE JANUARY 1

	1957	1956	1955
Total sales	$636,246,850	$654,390,400	$647,664,000

Dow-Jones Bond Averages

1955 High	1955 Low	1956 High	1956 Low	1957 High	1957 Low		Friday 1957	Chg.	Friday 1956	Chg.	Friday 1955	Chg.
101.15	98.00	99.44	89.59	91.09	85.37	40 Bonds	85.37	− .04	94.32	− .12	98.66	− .03
102.90	99.72	101.53	89.19	90.65	86.03	10 Higher Grade Rails	86.03	− .08	94.35	− .35	100.30	− .03
101.37	99.22	100.29	89.96	90.97	83.16	10 Second Grade Rails	83.31	+ .15	94.26	− .08	101.03	− .08
100.86	96.00	98.18	87.45	90.95	83.65	10 Public Utilities	83.65	− .24	93.17	.....	96.81	− .01
99.90	96.66	98.26	91.51	93.00	88.47	10 Industrials	88.47	.....	95.32	− .10	97.29	− .03
91.80	88.03	89.94	79.61	80.97	72.23	Income Rails	72.52	+ .06	85.39	− .01	90.61	− .11

-1957- High	Low	Bonds	Sales in $1,000	High	Low	Last	Net Chg.
105⅞	103	Colum Gas 5¼s82	19	104½	104¼	104⅝	− ⅛
105⅝	98½	Colum Gas 4⅞s 81	3	100⅝	100⅝	100⅝	− ⅛
133½	214	Colum Gas 3½s64	3	125	124½	125	....
94	84	Colum Gas 3½s79	7	84⅛	84⅛	84⅛	− 1⅝
115	96½	Combust Eng 3⅞s 81	15	98	97½	98	+ ⅝
110	102⅞	Con Edis 4⅛s 72	95	105⅛	105	105⅛	+ ⅛
104½	98	Con Edis 4⅝s 86	3	99½	99½	99½	− ⅛
26⅝	19⅝	ConRRCuba 3s2001f	16	22½	22⅛	22½	+ ⅛
91	80⅝	Consum Pw 2⅞s75	18	81⅛	81	81	− ⅛
59⅛	54	NYNHH 4s2007	10	54½	54⅛	54½	....
73	72	NY&Put 4s93	3	73½	72	72	− ⅛
99⅝	99¼	NY Tel 4½s91	12	99⅝	99⅝	99⅝	....
111⅝	103⅝	Nia MPw 4⅝s72	71	104½	104	104	− ⅜
100	90⅝	NorPac 4s97	3	90	90	90	− ⅛
70	59⅝	Nor Pac 3s2047	8	60½	60	60	....
106	87	Northrop 4s75	31	84½	84½	84½	+ 1½
		O					
88	83	Ohio Edis 2⅞s 75	3	80⅞	80⅞	80⅞	− 2¼
98	95	OrWashRRN 3s60	3	95	95	95	− ½

Foreign Bonds

Volume, $140,000

q—In bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. xi—Ex interest. ct—Certificates. st—Stamped. x—Matured bonds, negotiability impaired by maturity. f—Dealt in flat. nd—Next day delivery.

Year's high and low range does not include changes in latest day's trading.

American Stock Exchange Bonds

VOLUME, $70,000

SINCE JANUARY 1

	1957	1956	1955
Total sales	$10,023,000	$15,289,000	$25,822,000

	Fri.	Thur.	Wed.	Tues.
Issues traded	11	9	11	13
Advances	3	2	4	3
Declines	4	4	0	4
Unchanged	4	3	7	6
New highs, 1957	1	0	1	0
New lows, 1957	1	0	0	1

-1957- High	Low	Bonds	Sales in $1,000	High	Low	Last	Net Chg.
97¼	86⅝	Appal El P 3¼s70	8	89	89	89	....
71⅛	70¼	City Lima Peru 6½s58	1	73½	73½	73½	+ 2⅜
66	59¼	DL&W NJ 4s93A	1	59	59	59	− ⅛
57	53½	Guan & W 4s 70st	2	56	56	56	....
114	97	Nat Research 5s76	10	102¼	102	102	− ¼
98½	88⅝	Ohio Pw 3¼s68	1	92¼	92¼	92¼	− ⅝
89	80	Ohio Pw 3s71	10	81½	81½	81½	....
96½	89	PaWat&P 3¼s64	3	91½	91½	91½	+ ½
52¼	49¼	Peru 3s 97	27	50⅝	50⅛	50⅛	− ⅝
136	118	PubSvE&G 6s98	2	118	118	118	....
77	70½	Webb & Kn 5s74	1	73½	73½	73½	+ ½

q—In bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. xi—Ex interest. ct—Certificates. st—Stamped. x—Matured bonds, negotiability impaired by maturity. nd—Next day delivery.

Year's high and low range does not include changes in latest days' trading.

Westmoreland Coal

WESTMORELAND COAL CO. reports for the quarter ended June 30:

	1957	1956
Earned per share	$1.04	$.46
Coal sales and other revenues	1,468,014	1,866,331
Net income	163,557	68,844
Capital shares	157,500	150,000
Six months ended June 30:		
Earned per share	$7.94	$.52
Coal sales and other revenues	2,688,206	3,556,864
a-Net income	1,250,909	78,273

a-Non-recurring income totaled $986,408, equal to $6.26 a share in 1957 period compared with $9,321, or six cents a share, in the first six months of 1956.

Westmoreland, Inc.

WESTMORELAND, INC., reports for the quarter ended June 30:

	1957	1956
Earned per share	$.42	$.38
Gross income	71,110	60,946
a-Net income after taxes	47,407	44,418
Common shares	114,048	117,948
Six months ended June 30:		
Earned per share	$.77	$.77
Gross income	133,582	123,917
a-Net income after taxes	88,034	90,893

a-After depletion.

Continental Copper & Steel

CONTINENTAL COPPER & STEEL INDUSTRIES, INC., reports for the fiscal year ended June 30:

	1957	1956
a-Earned per common share	$1.60	$2.03
Net sales	68,586,272	73,332,215
Net before taxes	6,672,332	8,656,038
Net income	3,112,332	4,011,038

a-After preferred dividends and based in both periods on the 1,880,138 common shares outstanding at June 30, 1957.

Minnesota Power & Light

MINNESOTA POWER & LIGHT CO. reports:

	1957	1956	1955
a-Earn per com shr	$2.32	$2.16	$1.82
July gross	2,362,325	1,880,710	1,979,262
b-Net income	441,477	268,459	355,832
12 months gross	26,409,241	23,940,893	21,724,575
b-Net income	4,362,185	4,281,818	3,703,732
Net after pfd divs	3,982,185	3,701,818	3,123,732
Common shares	1,716,094	1,716,094	1,716,094

a-For 12 months ended July 31, after allowing for preferred dividends. b-After taxes and charges.

Company states the earnings for the month of July, 1956, were affected by the steel strike.

Norden-Ketay

NORDEN-KETAY CORP. reports for the six months ended June 29:

	1957	1956
Earned per share	$.29	
Net sales	13,820,800	$10,200,100
Net income aft taxes	372,000	a-680,513
Capital shares	1,293,113	1,289,646

a-Loss before elimination of $358,000 of prior year' reserves.

Net income after taxes for the quarter ended June 30, last was $200,000 or 16 cents a share, against $171,000 or 13 cents a share in the March quarter of this year.

Perry R. Roehm, president of Norden-Ketay, said: "It is expected that second half sales and profit will exceed first half results."

Mr. Roehm noted further: "The current defense economy drive has not affected Norden-Ketay's operations, due primarily to a determined policy and plan of substantially increasing the number of customers served by our six divisions." The company has a current backlog of $21 million, he said.

Norden-Ketay makes missile guidance systems, aircraft instruments, precision components, gyromechanisms, data processing equipment and has a nuclear engineering development lab.

Houston Lighting & Power

HOUSTON LIGHTING & POWER CO. reports:

	1957	1956
a-Earned per com shr	$2.61	$2.36
July gross	8,870,632	7,582,132
b-Net income	2,038,907	1,863,537
12 months gross	83,819,806	71,972,699
b-Net income	18,000,405	16,303,481
Net after pfd. divs	17,610,817	15,913,893
Common shares	6,750,709	5,836,825

a-For 12 months ended July 31, after allowing for preferred dividends and based on 6,750,709 common shares outstanding July 31, 1957. b-After taxes and charges.

Tonopah Mining

TONOPAH MINING CO OF NEVADA reports for six months ended June 30:

	1957	1956
Earned per share	$.02	$.03
a-Netincome after taxes	21,348	23,789
Capital shares	870,000	870,000

a-Excludes net realized gain on sale or disposition of investments of $7,948 in the first half of 1957 and $34,382 in the first half of 1956.

Central Maine Power

CENTRAL MAINE POWER CO. reports:

	1957	1956
a-Earned per common share	$1.71	$1.67
July gross	3,097,827	2,838,066
b-Net income	450,639	496,255
12 months gross	36,792,141	34,874,905
b-Net income	6,366,304	6,437,338
Net after pfd. divs	5,177,035	5,040,149
Common shares	3,025,977	3,017,667

a-For 12 months ended July 31, after allowing for preferred dividends. b-After taxes and charges.

New York Stock Exchange Transactions

Friday, August 16, 1957

Friday's Volume, 1,470,000 Shares

	1957	1956	1955
Volume since Jan. 1 Total sales	336,486,991	371,817,517	434,658,648

MOST ACTIVE STOCKS

	Open	High	Low	Close	Chg.	Volume
Anaconda Co	59⅝	59½	56⅞	57⅛	−2⅝	29,800
Chrysler	80	80½	79⅝	79⅝	+ ⅝	27,300
Sunshine Mng	14⅛	14⅜	14⅛	14⅜	+ ⅝	20,200
Std Oil NJ	62	62¾	61⅝	62⅝	+ ½	18,700
Gen Motors	44⅛	44⅝	43⅝	43⅞	− ⅛	18,400
Boeing Airp	38⅝	40	38½	39⅝	+1⅛	18,200
Beth Steel	45⅝	45⅝	45⅛	45⅝	+ ⅛	17,100
Sears Roeb	27⅛	27⅛	27	27⅛	....	14,000
Std Oil Ind	48⅝	48⅞	48⅜	48⅜	+ ⅛	12,700
Gen Electric	66½	66⅝	65⅝	65⅝	− ⅝	11,900

Average closing price of most active stocks: 48.47.

A

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
51⅝	37⅛	AbbottL 1.80	13	45¼	45¼	44⅞	44⅞	− ½
104½	98	AbbottL pf4	5	99⅝	99⅝	99⅝	99⅝	....
33⅞	29	Abacus Fd	2	31⅝	31⅝	31⅝	31⅝	+ ⅛
64⅞	38⅛	ACF Ind 4	7	59⅝	59⅝	59¼	59⅝	− ½
16⅛	13½	AC FWrig .40b	5	13⅝	13⅝	13⅝	13⅝	− ⅛
38⅝	30⅛	Acme Stl 2	7	30¼	30⅝	30⅛	30½	+ ⅛
27½	23⅝	AdamsEx .65g	4	25⅝	25⅞	25⅝	25⅞	+ ⅛
[illegible]	24	Ad Millis 2	2	25⅛	25½	25⅛	25½	+ ⅛
[illegible]	[illegible]	[illegible]	17	10	10	9⅞	9⅞	− ⅛
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

B

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

C

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

D

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

E

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

F

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

G

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

H

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

I

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

J

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

K

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

L

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

M

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

N

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

O

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

P

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Q

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

R

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

S

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

T

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

V

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

W

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
19½	15	Wilson Jon 1	1	4¾	4¾	4¾	4¾	....
5⅞	4⅝	Windsor Ind	20	25⅛	29	25½	25⅝	....
26⅞	18⅞	WinnDix .96	13	30⅛	30⅛	30⅛	30⅛	+ ¼
34	29⅛	WisElPwl 60	18	21⅝	21⅝	21⅝	21⅝	+ ⅜
22⅞	20⅝	WisPSv 1.20	7	30⅛	30⅜	30⅛	30⅛	+ ⅛
35	26⅝	WoodwIrl.80	12	40⅞	41	40⅞	40⅞	....
45½	40⅜	Woolwth 2½	14	58⅛	58⅜	58	58	....
68⅞	52⅛	Worthing 2½b	2	80⅜	80⅜	80½	80½	+ ¼
88⅝	80	Wrigley 3a	6	7	7	7	7	+ ⅛
8⅝	6⅞	WyanWor .40						

Y

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
34⅝	28⅛	YaleTow 1½	26	30⅜	30⅜	30¼	30¼	....
35½	30⅜	YoungSW 1a	3	30⅜	30⅜	30⅜	30⅜	....
123½	96⅝	YngstShT3g	14	98⅜	98½	97⅜	97⅜	− ¼
30	25⅛	YngSDr 1g	3	25⅝	25⅜	25⅝	25⅜	+ ⅛

Z

1957 High	1957 Low	Stocks Div.	Sales in 100s	Open	High	Low	Last	Net Chg.
124½	91⅛	ZenithRad3a	1	111	111	111	111	+ ⅜

z—Unit of trading ten shares or sales in full.

Rates of dividends in the foregoing table are annual disbursements based on the last quarterly or semi-annual declaration. Unless otherwise noted, special or extra dividends are not included.

a—Also extra or extras. b—Annual rate plus stock dividend. d—Declared or paid in 1957 plus stock dividend. e—Paid last year f—Payable in stock during 1957, estimated cash value on ex-dividend or ex-distribution date. g—Declared or paid so far this year. h—Declared or paid after stock dividend or split up. k—Declared or paid this year, an accumulative issue with dividends in arrears. p—Paid this year, at last dividend omitted, deferred or no action taken at last dividend meeting. r—Declared or paid in 1956 plus stock dividend. t—Payable in stock during 1956, estimated cash value on ex-dividend or ex-distribution date. y—Liquidating dividend.

cld—Called. xd—Ex dividend. x-dis—Ex distribution. xr—Ex rights. xw—Without warrants. ww—With warrants. wd—When distributed. wi—When issued. nd—Next day delivery.

q—In bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.

Year's high and low range does not include changes in latest days' trading.

Where a stock dividend or split amounting to more than 25 per cent has been paid the year's high-low range and dividend are shown for the new stock only.

Untraded Stock Bid and Asked on Page 17

Ford Gets Army Contract

DEARBORN, Mich.—Ford Motor Co. was awarded a $1,300,000 contract as the vehicle engineering agency for an improved one-quarter-ton utility truck by the Ordnance Tank Automotive Command.

D. C. Pippel, manager of Ford's mobilization planning and defense sales department, said the contract increases the current value of the company's engineering and development contracts in the Detroit area to $8,500,000.

Ford has designed and built 10 prototype quarter-ton vehicles since 1952. Two of the last four featured all-aluminum, unitized bodies. Ford also has a $6,500,000 contract for advance design and development of a medium tank and contracts to produce two three quarter ton, six-wheel-drive utility trucks.

Fannie Mae Purchases Of Mortgages Declined In the Second Quarter

Agency Added Over $226 Million Of Notes, Down From Record $387.7 Million in First Period

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON—Government purchases of Federally backed home mortgages in the second quarter declined from the record pace of the first three months of the year," but still ran well ahead of most other past periods.

The continued "brisk" buying activity reflected "the continuing tight money market for home mortgages," according to the quarterly report of the Federal National Mortgage Association. This agency, popularly known as Fannie Mae, buys and sells Government-backed mortgages on the re-sale market.

Mortgages valued at $226,851,000 were added to its portfolio in the April-June period, Fannie Mae said. The purchases were substantially less than the record $387,760,000 of the preceding quarter and the $300,000,000 of the last four months in 1956.

However, the report said, the buying pace exceeded by more than $100,000,000 any other quarter since the start of Fannie Mae's secondary market operations in the latter part of 1954. The latest total was also 182% or $146,500,000 higher than that for the second quarter of last year.

J. Stanley Baughman, Fannie Mae president, attributed the tapering off of buying activity from the two preceding quarters to a slight easing in the mortgage money market earlier this year which was reflected in a gradual, steady decline in mortgages offered to the association for purchase.

In addition to the purchases, Fannie Mae also executed standby commitment contracts covering 1,651 mortgages for a total of $22,000,000 in the latest period.

Although monthly offerings decreased substantially during the first quarter, the volume during the second quarter leveled off somewhat with 6,121 mortgages being offered in April, 6,075 in May, and 6,000 in June, according to the report. Offerings during this quarter amounted to about $212,000,000.

During the first 32 months of its secondary market operations Fannie Mae purchased 115,748 mortgages valued at $1,275,222,000.

Richmond District Bank Hikes Discount Rate to 3½% Today

WASHINGTON—The Federal Reserve Bank approved the Richmond district bank's proposal to increase its discount rate to 3½% from 3%, effective today.

The New York, Cleveland and St. Louis district banks still charge the 3% rate on loans to member banks. The other eight district banks in the Reserve System had moved to 3½% in the last two weeks.

United Specialties Meeting Set

CHICAGO — Shareholders of United Specialties Co. will hold a special meeting September 10 to vote on a proposal for sale of the company's assets to Industrial Enterprises, Inc., New York. The transaction is to be effected through an exchange of Industrial Enterprises common stock for United Specialties shares on a three-for-four basis. A total of 117,000 Industrial Enterprises shares would be exchanged for the 156,000 shares of outstanding United Specialties' common.

Cleveland Automatic Machine

CINCINNATI—R. Le Blond, president of Cleveland Automatic Machine Co. of Cincinnati, announced the company has purchased certain assets of Hy-R-Speed, Inc., of Los Angeles, Calif. Cost of the acquisition was not disclosed.

Hy-R-Speed manufactures and sells various mills, designed for grinding in the paint, chemical, ink and food industries.

Lionel Corp.

LIONEL CORP. and subsidiaries report for six months ended June 30:

	1957	1956	1955
Earned per share		$.23	$.21
Net sales	$3,939,989	8,085,428	5,964,531
Loss before tax credit	71,947	c-1,097,820	c-189,515
Net loss aft tax credit	31,053	c-537,820	c-154,715
Capital shares	720,000	720,000	720,000

c-Income.

For the quarter ended March 31, last, Lionel Corp. reported a net loss of $220,600 as compared with a net loss of $104,731 in the like 1956 period.

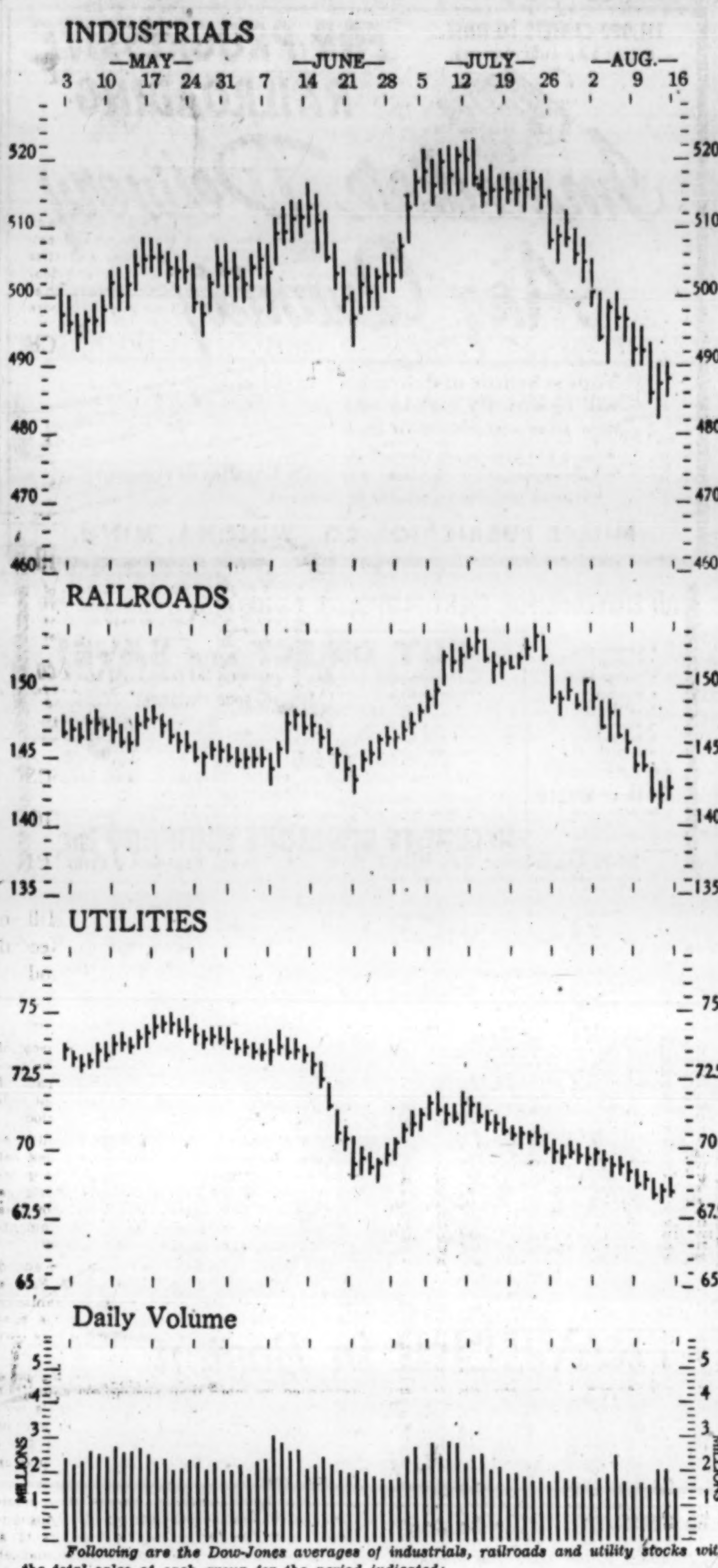
Arkansas Power & Light

ARKANSAS POWER & LIGHT CO. reports:

	1957	1956	1955
July gross	$5,322,540	$4,779,490	$4,313,26[illegible]
a-Net income	938,067	773,241	535,6[illegible]
12 months gross	53,390,976	49,352,933	46,481,8[illegible]
a-Net income	7,878,708	5,829,384	6,685,2[illegible]

a-After taxes and charges.

The Dow-Jones Averages



Following are the Dow-Jones averages of industrials, railroads and utility stocks with the total sales of each group for the period indicated:

Date	Open	11	12	1	2	Close	Change	%	High	Low	Shares Sold
30 INDUSTRIALS:											
Aug. 16	488.82	488.12	487.63	487.95	488.47	488.20	+ 0.90	+ 0.18	490.42	485.37	193,400
Aug. 15	488.20	486.39	484.85	484.12	485.34	487.30	+ 1.37	+ 0.28	490.28	482.10	291,800
Aug. 14	492.79	491.97	488.76	488.85	488.35	485.93	− 6.21	− 1.26	493.55	484.32	225,100
Aug. 13	491.65	492.47	494.04	493.37	493.25	492.14	− 0.18	− 0.03	495.68	489.96	175,700
Aug. 12	495.30	493.49	493.31	491.63	491.74	492.32	− 4.46	− 0.90	496.23	489.90	193,400
20 RAILROADS:											
Aug. 16	142.54	142.27	142.51	142.58	142.92	142.74	+ 0.54	+ 0.38	143.59	141.78	61,100
Aug. 15	142.42	142.20	141.84	142.11	142.11	142.20	+ 0.02	+ 0.01	143.16	141.30	75,900
Aug. 14	144.03	144.17	143.23	142.96	143.01	142.18	− 2.14	− 1.48	144.19	141.64	87,400
Aug. 13	144.61	144.59	144.99	144.88	144.92	144.32	− 0.05	− 0.03	145.43	143.90	49,500
Aug. 12	145.44	145.37	144.57	144.28	144.25	144.37	− 1.65	− 1.13	145.68	143.83	57,600
15 UTILITIES:											
Aug. 16	68.65	68.61	68.75	68.61	68.53	68.47	− 0.03	− 0.04	68.97	68.27	28,500
Aug. 15	68.49	68.44	68.42	68.40	68.31	68.50	+ 0.16	+ 0.23	68.74	68.06	28,700
Aug. 14	68.87	68.85	68.61	68.53	68.65	68.34	− 0.56	− 0.81	68.94	68.20	42,800
Aug. 13	68.84	68.83	69.00	69.02	69.02	68.90	+ 0.15	+ 0.22	69.21	68.55	34,000
Aug. 12	69.12	69.15	68.90	68.91	68.85	68.75	− 0.46	− 0.66	69.29	68.61	37,600
65 STOCKS COMPOSITE AVERAGE:											
Aug. 16	169.22	168.99	169.02	169.03	169.20	169.08	+ 0.33	+ 0.19	169.98	168.14	283,000
Aug. 15	169.00	168.54	168.11	168.02	168.24	168.75	+ 0.35	+ 0.21	169.73	167.22	396,400
Aug. 14	170.55	170.41	169.38	169.30	169.25	168.40	− 2.11	− 1.24	170.78	167.85	355,300
Aug. 13	170.46	170.63	171.13	170.96	170.95	170.51	+ 0.02	+ 0.01	171.67	169.79	259,800
Aug. 12	171.56	171.18	170.82	170.39	170.38	170.49	− 1.57	− 0.91	171.89	169.78	288,600

Averages are computed by dividing prices by the following: Industrials 4.283; Rails 5.601; Utilities 8.53; 65 stocks 20.55.

CLOSING AVERAGE PRICES

	INDUSTRIALS High	INDUSTRIALS Low	RAILROADS High	RAILROADS Low	UTILITIES High	UTILITIES Low
1957	520.77	454.82	157.67	139.23	74.61	68.33
1956	521.05	462.35	181.23	150.44	71.17	63.03
1955	488.40	388.20	167.83	128.44	66.68	61.39
1954	404.39	279.87	146.23	94.84	62.47	53.22
1953	293.79	255.49	112.21	90.56	53.88	47.87

---COMPOSITE AVERAGE---

		---High---		---Low---	
65 Stocks	1957	179.87	July 12	161.71	Feb. 12
65 stocks	1956	184.11	Aug. 2	164.29	Jan. 23
65 stocks	1955	174.21	Aug. 6	144.29	Jan. 17
65 stocks	1954	150.22	Dec. 31	106.03	Jan. 11
65 stocks	1953	113.96	Mar. 17	98.24	Sep. 14

--INDUSTRIALS--

1956		
Declined Aug. 30	485.96	34.99
Rallied Sep. 5	509.82	13.86
Declined Oct. 1	468.70	41.12
Rallied Oct. 12	490.19	21.49
Declined Oct. 31	479.85	10.34
Rallied Nov. 5	495.27	15.52
Declined Nov. 28	466.10	29.27
Rallied Dec. 31	499.47	33.37
1957		
Declined Feb. 12	454.82	44.65
Rallied June 17	513.19	58.37
Declined June 24	497.08	16.11
Rallied July 12	520.77	23.69
Declined Aug. 14	485.93	34.84

--RAILROADS--

1956		
Declined Sep 13	156.75	14.62
Rallied Sep. 14	160.19	3.44
Declined Oct. 1	150.55	9.64
Rallied Oct. 19	162.38	11.83
Declined Oct. 31	155.93	6.45
Rallied Nov. 5	161.46	5.53
Declined Nov 29	150.44	11.02
Rallied Dec. 7	158.38	7.94
Declined Dec. 20	152.20	6.18
1957		
Rallied Jan. 10	157.67	5.47
Declined Feb. 12	139.23	18.44
Rallied July 25	153.81	14.58
Declined Aug. 14	142.18	11.63

UTILITIES		Advances	Declines
	1956		
Declined Oct. 1	64.93	...	6.24
	1957		
Rallied May 21	74.61	9.68	
Declined Aug. 14	68.34	....	6.27

Thirty Stocks Used in Dow-Jones Industrial Averages are:

Allied Chemical	General Electric	Procter & Gamble
American Can	General Foods	Sears Roebuck
Am Smelt & Ref	General Motors	Std Oil of Cal
Am Tel & Tel	Goodyear	Std Oil of N J
Am Tobacco	Inter Harvester	Texas Co.
Bethlehem Steel	Inter Nickel	Union Carbide
Chrysler	Inter Paper	United Aircraft
Corn Products	Johns Manville	U. S. Steel
Du Pont	Nat'l Distillers	Westinghouse El
Eastman Kodak	Nat'l Steel	Woolworth

Twenty Railroad Stocks Used are:

Atchison	Erie	NY NH & H
Atl Coast Line	Great North Ry	Norfolk & West'n
Baltimore & Ohio	Illinois Central	Pennsylvania
Canadian Pacific	Kansas City So	Southern Pacific
Ches & Ohio	Louisv & Nash	Southern Railway
Chi Rk Is & Pac	N Y Central	Union Pacific
Del & Hudson	N Y C & St L	

Fifteen Utility Stocks Used are:

Am Gas & Elec	Consol Nat Gas	Panhandle EPL
Cleveland El Ill	Detroit Edison	Peoples Gas
Colum Gas Sys	Houston Lt & Pow	Phila Elec
Com'with Edison	Niag Mohawk P	Pub Ser E&G Co
Consol Edison	Pacific Gas & El	Sou Cal Edison

TOTAL STOCK TRANSACTIONS

	Friday	Thursday	Wednesday
10:00 to 11:00	310,000	420,000	290,000
11:00 to 12:00	230,000	410,000	430,000
12:00 to 1:00	220,000	240,000	350,000
1.00 to 2:00	180,000	260,000	240,000
2:00 to 3:00	210,000	410,000	240,000
3:00 to 3:30	270,000	300,000	490,000
Total	1,470,000	2,040,000	2,040,000

Volume by Groups

	Friday	Thursday	Wednesday
Industrials	1,240,000	1,740,000	1,710,000
Railroads	90,000	130,000	150,000
Utilities	140,000	170,000	180,000

New 1957 Highs and Lows On N. Y. Stock Exchange

Friday, August 16, 1957

New Highs

Am Ag Ch	Floren Stv	Lorillard
Am Encaus		

New Lows

Allied Mills	Elgin Wch	Nat Bis pf
Am Molass	Fawick	Nat Fuel G
Am Ship Bd	Fibre Pap pf	Nat Lead pf A
Am Tob pf	Granby M	Nat US Rad
Anaconda	Gt No Pap	Pan A Air
Arch Dan	Hallibur	Philco pf
Babcock&W	Ham Pap	Pit Metallu
Beaunit M	Holly S pf	St Reg Pap
Bos Edis	Hooker El	Signode S
Brown&Big	Househ F 3¾ pf	Simmons
Burl 4½ pf	Hud Bay M	Therm pf
Ches Cp Va	Jaeger Mch	Truax Tra
Cin G & E	Kais Al 4¾ pf	TXL Oil
Col Carb	Kan C P&L	US Hoff M
Cudahy Pk	Lees&Sons	US Lines
Del&Hud	L IL pf G	Wab RR pf
Det Hillsd	Mpls M 2 pf	Wash Wat P
Dis C Seag	Minn Ont	W Va P pf
Eagle P	Mohasco Ind	White M pf

Odd-Lot Trading

NEW YORK—Carlisle & Jacquelin and De Coppet & Doremus reported handling the following odd-lot transactions on the New York Stock Exchange August 15.

	Customer Purchases	Short Sales	Other Sales	Total Sales
Number of shares	270,306	3,808	186,791	190,599

Nash., Chatt. & St. Louis

NASHVILLE, CHATTANOOGA & ST. LOUIS RAILWAY (controlled by Louisville & Nashville Railroad) reports:

	1957	1956
a-Earned per share	$1.97	$4.77
b-June net loss	16,226	c-160,352
b-Six months net income	505,788	1,220,668

a-For six months ended June 30, based on 256,000 shares of capital stock. b-After taxes and charges. c-Net income.

Balance sheet items follow:

	June30,'57	June30,'56
Cash	$2,166,360	$3,837,243
Temporary cash investment	2,246,425	3,634,729
Current assets	12,837,027	15,182,092
Current liabilities	5,245,062	6,047,386
a-Investment in stocks, etc.	1,143,825	1,166,337
Fund debt due in 6 months	1,448,198	1,986,453

a-Other than those of affiliated companies.

Northern Natural Gas

NORTHERN NATURAL GAS CO. and subsidiaries report for six months ended June 30:

	1957	c-1956
a-Earned per common share	$2.21	$2.05
Operating revenues	64,130,891	58,871,309
b-Net income	8,775,141	8,166,237
Net after pfd divs	8,087,640	7,479,736
Common shares	3,654,000	3,654,000
Twelve months ended June 30:		
a-Earned per common share	$3.73	$3.38
Operating revenues	116,339,187	108,882,422
b-Net income	15,008,670	13,723,344
Net after pfd divs	13,633,668	12,348,342

a-After preferred dividends. b-After taxes and charges. c-Adjusted

Abreast of the Market

EDITED BY OLIVER J. GINGOLD

A Stock Market Appraisal

The stock market air was cleared somewhat last week when a long-awaited climactic phase of reaction occurred just before the close Wednesday. This, together with the selective strength exhibited while the tape was late and immediately afterward during Thursday's session, has given investors a more relaxed feeling about the outlook than was possible while the list was being subjected to relentless pressure the past month.

Traders would have been better pleased had the selling climax been more conclusive—that is, timed to have run its course before the market closed. Nevertheless, action of such stocks as Chrysler and U. S. Steel in rallying a point while the tape was late on the down side and then following through as among the strongest and most active issues Thursday was taken as gratifying evidence that a healthy speculative interest still exists for quality shares on a selective basis.

Revelation after the selling had temporarily spent itself that national production of goods and services had achieved another record annual rate in the second quarter, that housing starts last month had picked up a little from the June pace and that the N. Y. Federal Reserve Bank apparently doesn't feel that a further increase in the discount rate is warranted also helped general sentiment. Nonetheless, there is no disposition in the Street to regard the reaction as having been completed. On the contrary, with the 490 resistance level in the Dow-Jones industrial average having been decisively penetrated and the railroad average having confirmed action of the industrials by dropping through their June 24 closing low of 143.41, there is considerably more talk in the financial district about a future test of the "Lincoln Lows" set February 12 than a week ago. It is conceded that such a test would not necessarily involve a close approach to 454.82 for industrials and 139.23 for railroads but it is recognized that the precipitous advance from those levels to the top set five months later to the day afforded little chance to build solid areas of resistance.

Whether or not the market is destined to retrace more of its 66-point spring-summer rise than the 35% it has covered in the past month, investible monies are beginning to build up in portfolios of pension funds and institutional investors which sooner or later must find an outlet. There is evidence that some of these funds which were being channeled into the equity market earlier in the year now are being earmarked for some of the richer bond issues which are beginning to come to market and will reach a peak in the post-Labor Day period. When Northern States Power Co. sold $18 million of 30-year first mortgage obligations Tuesday at a net interest rate of 5.05% it matched the most attractive yield available on obligations of comparable quality in a quarter of a century. Richness of the issue from an investor standpoint has whetted the institutional appetite for the hundreds of millions of dollars worth of similar securities scheduled to come to market this fall and to be capped by the $250 million American Telephone offering scheduled October 29.

By the same token, blue-chip preferreds are attracting attention. Many of these are yielding around 5%, a figure not often reached more than once in a generation. Such opportunities make stiff competition for the equity market and lead to a conclusion that when and if a new challenge to record highs for common stocks is mounted, it likely will be more sedate than the pell-mell attempt which came a cropper July 12.

Heard on the Street—

Israel-Mediterranean Petroleum (American) and **Pan-Israel Oil** (American) have acquired substantial exploratory holdings in Canada and Ecuador. They also have applications for substantial acreage in Guatemala. . . . While the recent freight rate increase is expected to add approximately $2,685,000 annually to the revenues of **Central Railroad of N. J.**, it will bring in just about enough, according to E. T. Moore,

MARKET DIARY	Fri.	Thur.	Wed.	Tues.	Mon.	Fri.
Issues traded	1,096	1,139	1,152	1,117	1,148	1,112
Advances	463	388	167	408	217	350
Declines	359	463	871	452	690	485
Unchanged	274	288	184	257	241	277
New highs, 1957	4	5	3	5	9	8
New lows, 1957	57	134	141	71	78	53

DOW-JONES CLOSING AVERAGES

FRIDAY	1957	Changes		1956	Changes	
Industrials	488.20	+0.90	+0.18%	515.79	−1.40	−0.27%
Railroads	142.74	+0.54	+0.38%	165.63	+0.32	+0.19%
Utilities	68.47	−0.03	−0.04%	70.57	−0.13	−0.18%

Ex-dividend of International Nickel Co. of Canada, Ltd. 65 cents lowered the Industrial Average by 0.15.

Ex-dividend of Great Northern Railway Co. 75 cents lowered the Rail Average by 0.13.

president, to compensate for wage increases which will become effective November 1. A spokesman for **D. L. & W.** estimates that the rate rise will add about $3,600,000 annually to revenues of the railroad. . . . **Kaman Aircraft** (over the counter) expects 1957 earnings to be better than indicated by those for the six months ended June 30, when net amounted to $144,520. In 1956 the company earned $400,222, equal to $1.63 a class A share, on volume of $12,380,865. Sales this year are expected to top last year's total and Charles H. Kaman, president, says: "The future of our company has never looked more favorable than it does at this time. **Incorporated Investors**, big open-end investment company with June 30 total net assets of $275,316,687, in the most recent quarter added 11,500 **Minnesota Mining & Manufacturing** and 400 **Signal Oil & Gas** class B. Eliminated from the fund during the quarter were 29,000 shares of **Filtrol Corp.**

Market Views—

OPINION: Said Charles T. Jawetz, of Daniel Reeves & Co., Beverly Hills, Calif.: "While it is admittedly difficult to find supporting statistical reasons for rampantly bullish views, widespread liquidation does not appear imminent and institutional funds awaiting investment are accumulating in large amounts. Equity securities can be expected to dominate this type of investing." . . . Ralph E. Samuel & Co.: "We do not believe there is any reason for the investor to become 'edgy' about the outlook—this is not a time to become separated from well chosen and rewarding equities."

ANALYSIS: Talmage & Co. has made a study of **National Lead**. . . . **Warner & Swasey** has been analyzed by Butcher & Sherrerd, of Philadelphia. . . . Eisele & King, Libaire, Stout & Co. has commented briefly on **Daystrom**, **Newport News Shipbuilding** and **Chrysler**. . . . Bache & Co. has tuned its Listening Post to **Westinghouse Electric**. . . . Henry Montor Associates, Inc., has prepared a study on **Union Tank Car**. . . . Francis I. duPont & Co. has a brief analysis of **Motorola**.

Last Week's Market

Volume on the New York Stock Exchange declined last week to 8,780,000 shares from 9,422,297 the week before and 9,030,062 in the like 1956 period as all three Dow-Jones averages lost ground for the third successive time. Declines of 1.7% for industrials and 1.1% for utilities were the fifth consecutive losses suffered. Railroads eased 2.2%.

Stocks of major New York City banks were a shade higher on the week, moving counter to the trend of Big Board stocks, dealers reported. They added that the recent increase in the discount rate had not been too much of a factor in the weeks improved performance; it had, they felt, been largely discounted by the market.

Manufacturers Trust Co., up ⅞ on the week, touched a new high for the year. Bankers Trust was up ⅝, Chase Manhattan gained ⅝, Chemical Corn advanced ¼ and First National City rose ⅞.

Major insurance company stocks were lower in a moderately active market. In the fire and casualty category, lower earnings statements lent little encouragement, and life stocks also worked lower.

Among the fire equities, Aetna Fire was off 2¾, Hartford Fire fell 4 and Insurance Co. of North America was down 2. Casualty stocks moving lower included Continental Casualty, off 4½ and Maryland Casualty, down 1⅛. In the life group, Aetna Life dropped 8, Connecticut General fell 1, Lincoln National declined 2 and Travelers was off ⅝.

* * *

Hupp Corp. Hopes to Show Profit for Year

Hupp Corp. expects slightly lower sales in 1957 than the $62 million reported last year but hopes nevertheless to show a net profit for the year, Don H. Gearheart, president, told The Wall Street Journal. "Volume could fall below $60 million, but with some reasonable luck we could have a profit this year," he said. For 1956, Hupp reported net income of $620,364, or nine cents a common share.

Mr. Gearheart noted the third quarter is normally not a strong one for refrigeration sales and said: "I think it will be a break-even period." Hupp's Gibson Refrigerator Co. division makes refrigerators and window air conditioners and two other Hupp divisions manufacture central home and commercial package type air conditioning units. For the six months ended June 30, Hupp had sales of $32,170,759, down from $34,859,339 in the like 1956 period, and earnings of $169,870, or one cent a share, well below the 1956 first half because of non-recurring losses of major size received during the earlier period from sale of some Gibson inventories. Operating income before taxes actually rose in the first half this year to $380,503 from $117,097 in the 1956 period.

Mr. Gearheart indicated no substantial extraordinary charges are anticipated this year. In 1956 the company had $844,377 in non-recurring charges, including cost of relocating manufacturing facilities and corporate offices in Cleveland and of several research and development projects abandoned and written off at the year-end. Mr. Gearheart predicted that on about the same volume of business as this year, "I look very definitely for profits to increase in 1958."

He indicated the company has not completed its external growth plans, commenting, "There is a possibility we will have some mergers before the end of the year. And the situation will be the same next January. We have been talking with a number of companies and will continue to negotiate with them." The company has no plans for additional financing this year. Asked whether there is a possibility of a stock dividend before the year is out, Mr. Gearheart said: "I don't know." Hupp paid 5% in stock last December.

Hooker Electrochemical Sees Fall Upturn

Earnings of Hooker Electrochemical Co. in the current quarter are not likely to show improvement over the trend that prevailed in the first half year, this newspaper learned, largely because it includes the vacation period. However, gains are looked for in the final three months of the year, and the expectations are that net for the full year will be in the neighborhood of $1.40 a share, down from $1.75 in 1956, with improvement anticipated in 1958.

For the first six months of 1957, Hooker reported net profit equal to 70 cents a share, down from the 94 cents a share in the 1956 first half. A number of adverse factors were responsible for the decline. There was a drop in demand for chlorine, one of the company's main products, from the textile and paper industries. Like other chemical companies, Hooker was also hit by added costs, higher depreciation charges on new plants and the usual "start-up" expenses on new facilities. Power costs went up sharply because of the loss of a former main power source in Niagara Falls. Wages have been rising steadily, keeping ahead of what price increases there have been. In another area, completion of the Du Pont plant to make neoprene rubber at Montagu, Mich., which will be an important consumer of Hooker's products, has been delayed.

Canadian Celanese Sales, Net Top Year Ago

Sales of Canadian Celanese, Ltd., (Montreal) are running from 5% to 10% ahead of last year and profits are showing a greater percentage increase, Charles W. Palmer president, told this newspaper. Net income for 1956 was $2,007,084, equal to 97 cents a common share. Current improvement is attributed by Mr. Palmer to customer acceptance of recently marketed new products and increased sales of improved and up-graded standard products. Betterment in profits reflects higher sales, reduced costs following conversion to more profitable lines and an all-around improvement in operational efficiencies. Asked about prospects for a higher common dividend or an extra, Mr. Palmer said: "You can be sure the question will be given every consideration by directors, but I can't say what their decision will be." Currently the company pays 15 cents quarterly and the last extra was 15 cents paid in December 1955. Capital expenditures in the near future are likely to be at a "reasonable" level and should not exceed the approximate $2 million annually which is currently being provided for depreciation, he added.

Exports to Iron Curtain Nations Rose in Quarter

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON—U. S. exporters continued to increase their trade with European countries behind the Iron Curtain during the second quarter of this year, Commerce Secretary Weeks reported.

Mr. Weeks, in a quarterly report on trade between the U. S. and Soviet bloc countries, said his department licensed $19.4 million of peaceful goods for shipment behind the Iron Curtain. He said the main reason for this relatively high level of licensing was a large number of applications for shipment of goods to Poland.

The second quarter licensing rose $3 million above the previous quarter and was nearly five times the $4.1 million licensed a year earlier.

Under U. S. export controls, most of shipments to countries behind the Iron Curtain in Europe and to Red China, Korea and Viet Nam must get individual approval from the Commerce Department. Normally about half the licenses approved for eastern European shipments actually result in exports the U. S. has a total embargo on all trade with Communist China and North Korea.

Actual exports to eastern Europe in the first three months of the year rose to $5.7 million from $2.4 million in the preceding quarter and $3.2 million a year earlier.

On the import side, $17.9 million of Iron Curtain goods came to the U. S. in 1957's first quarter, the latest period for which figures are available, the Commerce Department said. This was just $500,000 above the preceding quarter but $3.2 million above the year-earlier period.

The Commerce Department noted that its increased licensing for exports to Poland resulted largely from a relatively new Government policy which lets Poland buy surplus farm goods as cotton and wheat at cut-rate prices for dollars.

Among the goods approved for shipment to eastern Europe were $4.9 million of cotton, $560,000 of wheat, and $92,000 of synthetic rubber to Poland and a $150,102 fish stick manufacturing unit and $2,808 of popcorn machines to Russia.

Braniff Airways

BRANIFF AIRWAYS, INC.: Balance sheet items follow:

	June30,'57	June30,'56
Total assets	$60,645,841	$36,525,924
a-Property & equipment	37,143,897	17,675,573
Cash	3,821,991	2,553,612
Current assets	15,877,136	11,841,782
Current liabilities	8,578,740	11,663,141
Long-term debt	15,000,000	......
Paid in surplus	18,383,997	10,235,392
Earned surplus	9,626,737	9,100,457
Common shares, par $2.50	2,948,119	1,942,576

a-After reserves.

Most Steel Producers See Signs Of Pickup in Orders Next Month

Auto Makers Still Counted on Most for September Rise In Business Volume

BY PAUL LANCASTER
Staff Reporter of THE WALL STREET JOURNAL

PITTSBURGH—Steel men continue to play a waiting game, though some report a mild improvement in business.

What they're waiting for, of course, is a real upturn in orders, one that would jolt steel production out of the rut it's settled in recently. A few steel makers are growing restive, but most remain confident such an increase is coming soon—probably next month.

Steel output has been running along with little change for several weeks. It's been hovering around 80% of rated capacity for a month and will probably average near that level for the current quarter.

Last week operations were scheduled at 81.9% of capacity, compared with an actual rate of 79.8% the week before. How close last week's production came to the estimate won't be known until figures are released this afternoon; for the past 10 weeks output has fallen below the prediction.

Signs of Pickup

"Orders are pretty much on a level, although we see signs of a pickup," said one major steel producer late last week. Like most of its competitors, this producer looks for business to turn up in September, chiefly because of heavier ordering by the auto industry.

Auto makers use large quantities of the light flat-rolled steels, especially cold-rolled sheets, that are the steel industry's biggest volume products. These have been in reduced demand but auto companies are expected to step up steel buying next month as their 1958 model runs get under way. Demand from the appliance industry, another user of sheet products, is also rising a bit and should show further improvement in the fall, according to steel men.

The increases in auto and appliance orders would be reflected in shipments in the fourth quarter, when the operating rate will likely rise a few points above the current level.

But for the present, most producers report, the order picture varies little from week to week. One Midwest steel company noted a "very slight tendency" towards improved auto orders last week; otherwise orders were unchanged. Auto makers are still not buying in volume, said another producer, though appliance business is showing a bit more life.

Steel men naturally aren't sitting with their hands folded during this slack period, and a few say they're attracting significant amounts of new business. One large mill, for example, detects a general, though moderate, rise in orders for just about all products and from a wide range of consumers. "We expect this pickup to continue and to become more marked in September," a spokesman said.

Two smaller mills said they were receiving more orders from auto makers. "Sheet and strip business is exceedingly good now," remarked an official of one, "which is definitely the exception to the rule." "There's a decided improvement for August over July, and July was much better than we had expected. September will be still better. I would say that in September we'll be near capacity on sheet and strip."

This official deems his firm's good fortune a harbinger of better days for the whole industry.

While other mills may not be quite as optimistic as this one, they certainly aren't unhappy about 1957 steel business. If output continues at its present pace for the rest of the third quarter and speeds up in line with producers' expectations in the final quarter, production for the year will outstrip last year's 115.2 million tons and possibly top 1955's record 117 million tons.

Stocks Believed Normal

Brightening most steel companies' outlook for the remainder of the year is their belief that customers' stocks of steel, which in many cases have been unusually high in recent months, have now been reduced to normal, or below normal, levels. "I don't know of anyone that has burdensome inventories," said one steel man. "They are down to the point where companies can just operate efficiently, and if business picks up, there will be a flood of orders from all industries."

At least one big producer, however, dissents from the majority view here; this company argues that inventories of light flat-rolled steel products are still abnormally high and must be cut further before a significant rise in demand can take place.

Demand for structural shapes and heavy plates, used by construction, shipbuilding and other thriving industries remains strong, steel company spokesmen said.

Steel production should advance slightly in one major steelmaking center, hold steady in another and decline in a third this week, according to steel companies' estimates. In Pittsburgh, based on incomplete figures, mills will operate at 84.6% of capacity, compared with an actual rate of 84.1% last week. An operating rate of 79% of capacity is forecast for the Youngstown district, unchanged from last week. In Chicago, production is scheduled to slip to 85.7% of capacity from 87.8%.

Penn-Texas Blames Recent Operating Loss On Machine Tool Slump

It Also Cites Proxy Fight Costs; Holdings of Fairbanks-Morse Stock Put at 433,750 Shares

By a WALL STREET JOURNAL *Staff Reporter*

NEW YORK—Penn-Texas Corp. blamed a second-quarter operating loss on a general slump in the machine-tool industry and expenses of a proxy fight against an insurgent stockholders' committee.

A spokesman added, however, that the company considers this experience "exceptional" and thinks "the last half should be much better."

The company reported operating profit of $1,023,000 for the first half of 1957. This would indicate a second-quarter operating loss of $260,000, since it had reported operating profit of $1,283,000 in the first quarter. Penn-Texas has said no comparison with last year's results is possible because of "acquisitions and dispositions during 1956 and 1957."

In another development, Penn-Texas reported to the New York Stock Exchange that its holdings in Fairbanks, Morse, & Co., Chicago industrial equipment manufacturer, now stands at 433,750 shares. This reflected purchase of 2,100 shares on the open market in July, and delivery to Penn-Texas of 23,500 shares it had previously contracted to buy.

Despite the operating loss, indicated second-quarter non-recurring profits of $812,000 enabled Penn-Texas to show total indicated June-quarter net of $552,000. Total net profit for the first half came to $2,445,000, or 49 cents a share, with non-recurring profit accounting for $1,442,000 of that figure.

A company spokesman commented that the second quarter was "exceptionally poor" and "doesn't seem to foreshadow anything." Pratt & Whitney Co., one of Penn-Texas' biggest operating subsidiaries, has felt the effects of a general downturn in the machine-tool industry, he said, but "the general outlook for machine tools appears better now."

In addition, the spokesman said, "we certainly won't face any proxy fight in the third or fourth quarters." Penn-Texas in the second quarter was battling to stave off a proxy bid by a stockholders' protective committee headed by Alfons Landa, Washington attorney, which eventually placed two directors on the eight-man Penn-Texas board. The company would not give specific figures on just what the fight had cost.

The Landa proxy fight was an outgrowth of the two proxy battles Penn-Texas waged for control of Fairbanks-Morse. This contest was settled in May by a court decree which gave Penn-Texas five seats on the 11-man F-M Board, but specified that the present management headed by President Robert H. Morse, Jr., is to remain in control until after the 1961 annual meeting. Penn-Texas has said it is nevertheless continuing to buy F-M stock "for investment."

Newsprint Production Rose During July in Canada

MONTREAL—Canada's 27 newsprint mills turned out 549,195 tons of this product during July, 3.2% more than in June and an increase of 3.1% from July, 1956, according to The Newsprint Association of Canada.

The higher output in July reflects the fact that July, 1957, had one more working day than either the preceding month or July, 1956.

Exports to the United States were 437,438 tons, up 2.4% from June and 2% higher than a year previous.

U. S. consumption of newsprint, a good gauge of possible Canadian production, was estimated at 494,672 tons in July, a reduction of 13.9% from June when there was one more Sunday and consequently one additional weekend edition of newspapers.

Union Officials Set To Testify Tomorrow On Steel Price Hike

Committee Calls Steelworkers After U. S. Steel Puts Need for Increase on Pay Boost

By a WALL STREET JOURNAL *Staff Reporter*

WASHINGTON—United Steelworkers Union officials go before Congress tomorrow to present their contention the $6-a-ton steel price boost last month wasn't justified by wage increases.

The union officials were called by a Senate Judiciary subcommittee headed by Sen. Kefauver (D., Tenn.) which has been looking into so-called "administered price" industries. The group heard United States Steel Corp. officials last week defend the price increase as necessary mainly because of the wage boosts granted Steelworkers members as well as other employes.

The union has asserted steel prices wouldn't have had to go up more than $3.50 or $4.00 a ton to reflect the new wage scale. However, company executives told tne subcommittee this argument didn't take into consideration the "necessary" wage hikes to non-union workers as well as the overall rising costs of production.

At the windup session for the U. S. Steel officials Friday, President Clifford F. Hood discussed the price boost in relation to inflation. One of the major problems the company faces, he testified, "is the failure of production to rise as rapidly as production costs."

Blaming labor's wage demands chiefly for the higher prices, Mr. Hood said, "to date the union has not helped us clarify this problem in the employe and public minds."

U. S. Steel Chairman Roger Blough said employment costs have gone up an average of 8.1% in each the past 17 years while improvement in output hasn't risen much more than 2% or 3% annually. "The best way to halt inflation is to have increased productive capacity everywhere," he said, but with costs keeping pace, not jumping ahead.

"Putting it simply, all price increases have reflected primarily an inflation in our costs which we were unable to overcome with greater efficiency."

Mr. Blough said many believe "the greater the power of labor, and its control over costs, the more likely it is that there will be overreaching by labor of any productivity improvement. This, I think, is a matter for Congress to determine. . . ."

To avoid giving labor a "disproportionate share of the total product of an industry or the country," Mr. Blough said, one of two actions must be taken. One is to increase prices, which eventually leads to lesser gains in real wages, or weaken labor's "control" over increased costs. Mr. Blough made no specific recommendations, saying it is a matter for Congress to settle. However, he said wage or price controls aren't the answer, and wouldn't work.

At the final hearing for the steel executives, Mr. Kefauver claimed the hearings had "fairly well established" steel prices were set through the judgment of management rather than through reaction to supply and demand forces. He said it raised the question of whether the antitrust statutes are adequate.

Mr Blough said if Mr. Kefauver's summation represents "what we've tried to present to you, I think we've failed."

Officials of Bethlehem Steel Co. are scheduled to appear Thursday.

New Yorker Boosts Ad Rates

NEW YORKER—Effective with January 4, 1958, issue, New Yorker magazine announced an overall advertising rate increase of about 7% and a 5.7% increase in the circulation base.

Under the new schedule, a black and white page will be priced at $3,000 against a present charge of $2,750; a four-color insert will cost $4,500 against $4,250 now charged.

The new circulation base will be 370,000, up 20,000 from the present base of 350,000.

Delhi-Taylor Well Completion

DALLAS—Delhi-Taylor Oil Corp. reported completion of the Lotus Oil Co. No. 1, a San Andres-Grayburg formation oil discovery about 16 miles west of Andrews in Andrews County, Texas.